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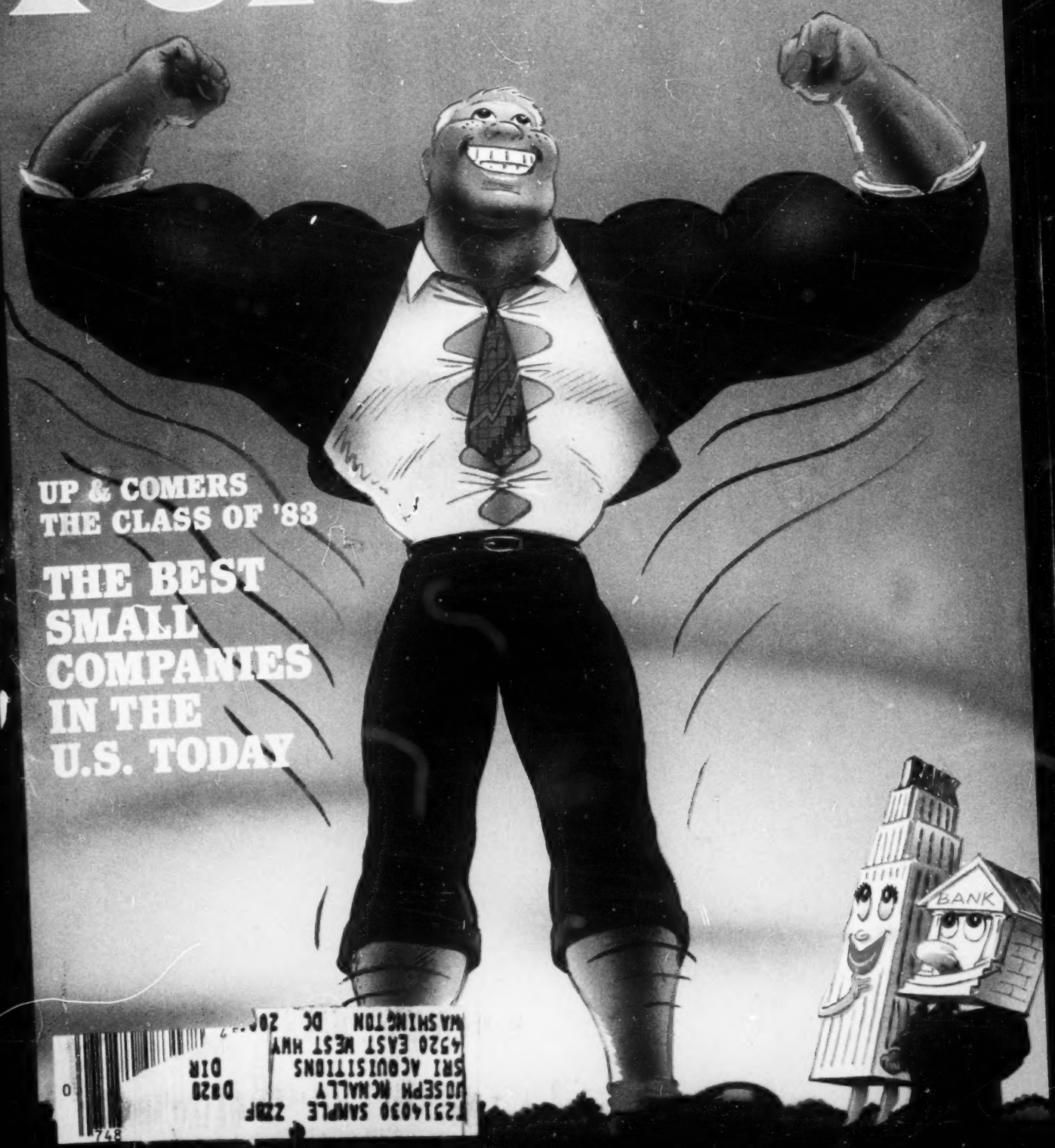

UP & COMERS
THE CLASS OF '83

THE BEST SMALL COMPANIES IN THE U.S. TODAY

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November 7, 1983
Volume 132,
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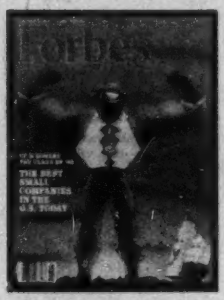

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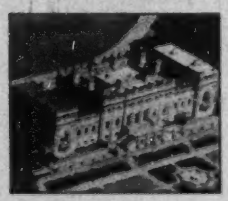

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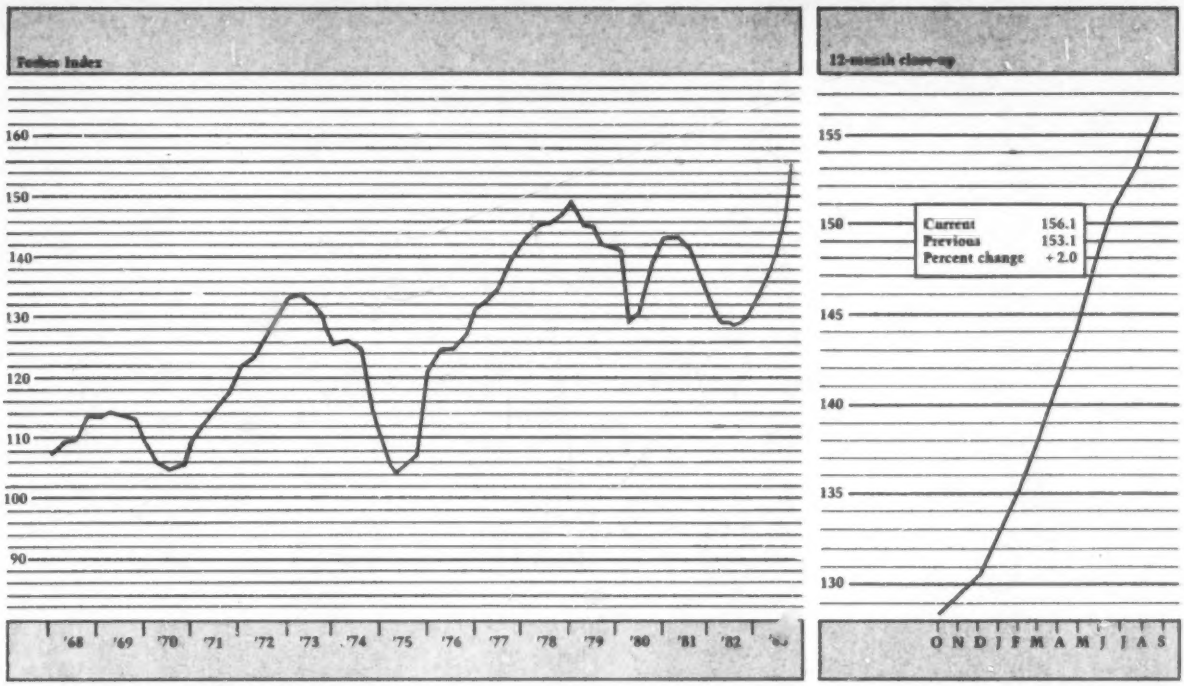
The Forbes Index



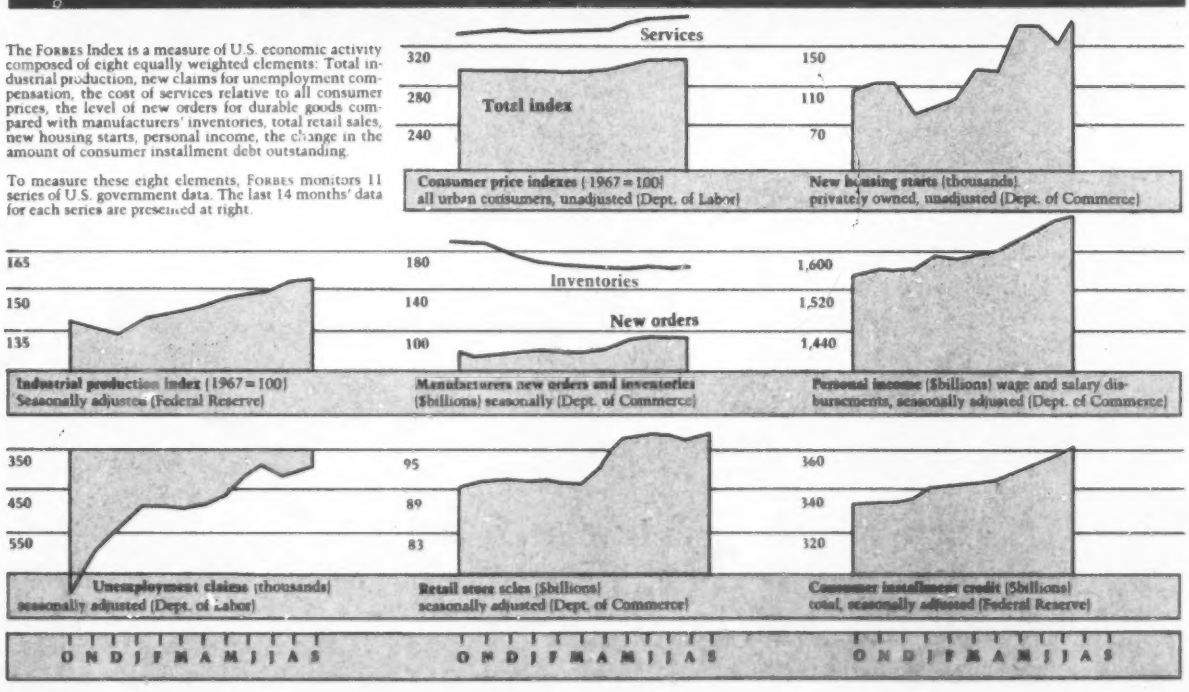
Stepping up the pace. After several weeks of narrowing percentage gains, the Forbes Index moved into high gear with a strong 2% gain for the latest reporting period. There was a minor, but disappointing, setback in retail sales in August, but consumers returned to their free-spending ways in September. Retail sales were up 1.6% from August and 10.7% higher than they were in the same period last year. Industrial production was up 1.5% in the latest month and is some 11.9% stronger than it was September 1982.

The final bit of good news is that more Americans are going back to work. New unemployment claims of 391,200 in September were 5.4% lower than August and some 280,600, or 41.7%, lower than September 1982.

The Forbes Index Components

The FORBES Index is a measure of U.S. economic activity composed of eight equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, the level of new orders for durable goods compared with manufacturers' inventories, total retail sales, new housing starts, personal income, the change in the amount of consumer installment debt outstanding.

To measure these eight elements, FORBES monitors 11 series of U.S. government data. The last 14 months' data for each series are presented at right.



Dr. Robert Burnett (left), *Congressman Ron Wyden* (below)
Two totally different viewpoints.

quality of the product."

Negligence lawyers could have a field day. Lawyers contacted by FORBES believe that if insurers use the PPO mechanism to encourage patients to use certain physicians and hospitals, then the insurer has played a role in providing the health care—and therefore could be held liable in malpractice suits. Scary, that.

For this reason, and because PPOs are a new phenomenon, everyone is stepping gingerly. Employers may establish a dual system under which an employee can choose a contracting PPO or noncontracting hospital and doctor. If the patient chooses a PPO, almost 100% of the cost is reimbursed. Otherwise, the usual 80% is. So there is free choice but strong economic incentive to choose the PPO.

But whatever they are, PPOs do not put the government deeper into people's business. They are simply a sound proposal for bringing economic order. And they are an idea whose time has probably come. Congressman Ron Wyden (D–Ore.) recently introduced legislation that would strike state laws that restrict the development of PPOs. Not without reason does Wyden refer to his bill as "barrier-striking." ■

Insiders are taking companies private at a record rate, sometimes in self-defense, sometimes out of enlightened self-interest. But how are the outsiders coming out on the deal?

Private lives

By Richard Phalon

THANKS PARTLY to lower interest rates and liberalized tax rules, insiders are taking publicly owned companies private at a record pace *(see table, p. 42)*. Some of the shareholders who have been bought out are humming all the way to the bank. In exceptional situations like Coca-Cola Bottling Co. of Miami, for example, the bid was a whacking 6 times book value—the highest price at which the company has been quoted in at least the past ten years of its existence.

Unfortunately, however, that represents the exception, not the rule. Most shareholders are not so lucky. In many instances they are being taken out at premiums as thin as the layer of equity that is the norm in buyouts. Typically, such deals—they don't call them leveraged buyouts for nothing—are financed by big gobs of money that are borrowed against the company's assets.

The buyout price itself is becoming much more of a sticking spot. It could hardly be otherwise. The buyers, usually including some members of management, understandably want to pay as little as they can, while the selling stockholders understandably want to extract as much as they can before being pushed out the door.

Often there is enough give on both sides to produce what Michael Price, a vice president of the open-end, no-load Mutual Shares Corp., calls "fair value." Mutual Shares, which has popped up on the FORBES list of best-performing funds in each of the last eight years, specializes in undervalued situations. The "going private" boom has proved to be a bonanza for the fund. At the moment it has at least a half-dozen such deals in its portfolio. They include Kaiser Steel, Amstar, Wometco and North American Royalties, a Tennessee-based oil, gas and auto parts producer that is going private at $19 a share.

Mutual bought into North American at an average of $18 a share and did a lot of homework to make sure that it is getting the maximum return

on its investment. "We looked over everything—earnings projections for the next five years, the works, and $19 a share was the bottom line we came up with, too," says Price. "It's a decent deal."

The fact is, though, other minority shareholders don't agree. The result is that North American is being sued for still more money in what is very much a sign of the times. The rising curve of buyouts has bought a rising curve of litigation. Exact numbers are hard to come by, but Douglas Brown, vice president of Kidder, Peabody, thinks the conflict has escalated to the point "where typically there is a lawsuit 70% to 80% of the time."

Michael Price of Mutual Shares
"You get their attention by going into court."

Many of the suits are nuisance actions; a bit of price sweetening gets some of these out of the way. Others die of their own frailty. But some actions are in dead earnest. And they get results. The significantly higher premiums that can be exacted by solid, sophisticated institutional investors like Mutual Shares suggest that the "fair value" initially offered outside shareholders is not always quite so fair as insiders like to think.

"You can't get management's attention by getting on the telephone and telling them the offer is unfair," says Price. "The only way you can get their attention is by going into court." Over the last ten years Mutual (and/or associates) has done exactly that on a number of occasions. It succeeded in wringing out more money for all shareholders from the likes of Fred F. French Investing and Splentex, for example, on the ground that the initial take-it-or-leave-it offers were grossly unfair. In the case of Fred French, the offer doubled—from $75 to $150 a share.

Mutual's most recent victory—with a big assist from the SEC—came last month when Amdisco Corp., the former American Distilling Co., ponied up $30 a share as the price of privacy. Its original offer, all to be paid

Little Beirut

The National Press Club, a rich chunk of real estate located on F Street just a downwind rumor from the White House, has long been a Capital landmark. Journalists, though, rarely at a loss for the *mot juste*, now refer to the place as "Little Beirut." The 14-story building, which is home to the Washington bureaus of many of the nation's best-known publications (including FORBES), is in the throes of a $75 million renovation. There have been delays in the timetable, cost overruns amounting to more than 30%, and parts of the building are still a shambles. Hence the sobriquet.

The National Press Club

The "Little Beirut" label, though, goes beyond the club's brick and mortar problems to a sharp guerrilla action staged—and recently won—by an embattled minority. The minority, in this case, is a clutch of about 150 outside stockholders owning 21.5% of a club subsidiary (the National Press Building Corp.), which in turn owns the land and building. The club, which controls the balance of the stock, leases almost all of the 13th and 14th floors—some 34,000 square feet of space housing the bar, restaurant, conference rooms and office—mostly at the nominal rent of $1 a year. All but two of the subsidiary's directors are club members, officers or former officers.

The guerrilla action was opened by Tweedy, Browne Inc., a New York money manager that specializes in inactive, undervalued stocks (FORBES, *Mar. 2, 1981*). It holds 670 shares of the Press Club subsidiary. Its class action suit charged that the subsidiary's directors were running roughshod over the minority holders to the benefit of the club. The argument: The club's plans to greatly increase the space it occupied, expand a cocktail lounge facing the White House, and the addition of other grace notes would cut into the rent rolls at stockholders' expense. Further, added the Tweedy, Browne complaint, financing the renovation (sale and leaseback of the land and buildings) would not only cost the subsidiary its only assets but the right to a $15 million investment tax credit as well.

Tweedy, Browne's attorney William Klein II struck at a critical moment. The suit could have cost the club both its temporary and permanent financing and forced it into bankruptcy. William Hickman, president of the subsidiary, argues that a bigger, refurbished club is a draw that will help him rent more office space at higher rates. Nevertheless, after some tough negotiating, the club took the practical way out. It agreed to pay off the minority holders at $750 a share—$400 in cash up front, plus $350 in seven-year, 9% notes. Tweedy, Browne apparently bought much of its stock at around $21 a share. Like everyone else, the National Press Club has learned that privacy—like freedom—can be a hard-bought thing.—R.P.

with stockholders' own money, of course: $21.25 a share. Amdisco's liquidating value, mainly cash and securities: at least $31.50 a share.

Mutual's record suggests that "fair value" is an extremely elastic number. It's generally higher when big investors feel they are being shortchanged. And it's lower when a group of odd lotters is up against a management that thinks it holds all the cards. Lawsuits or appraisals—the investor's only trump—cost time and money.

Most major leveraged buyouts carry at least the illusion of protective machinery: coveys of independent directors who pass on the equity of the deal, while offering prices are checked and double checked by investment bankers who distill the magic number out of a blend of market value, book value, cash flow and such intangibles as the quality of management. This has been producing handsome fees for Wall Street. Merrill Lynch, for example, was paid $375,000 for its written opinion that the $27.50 a share Raymond International is offering its shareholders is "fair from a financial point of view." Kidder, Peabody, for a similar opinion, plus its advisory services in arranging the buyout, should end up with a total of $1.26 million. The bulk of Kidder's fee—more than $1 million—has been made contingent on the buyout's going through.

Can outsiders rely on the hope that an investment banker's assessment will always be "fair" and "independent"? Given the difficulties of picking a range of numbers out of a welter of assumptions—projections of cash flow, for example—the bankers argue that they do a good job. People on the other side of the bargaining table, of course, don't always share that conviction. Michael Price, for one, thinks the quality of the product is uneven. "If it's Goldman, Sachs," he says, "you know it's a fair opinion. With some other firms, it's not. They just don't do the homework."

Lawyers like William Klein II of Tenzer, Greenblatt, Fallon & Kaplan, who has specialized for 20 years in minority stockholder actions, argues that in many cases the investment bankers merely rubber stamp a price range the insiders have already decided on. Admittedly "a radical" on the subject, he contends that some "independent" directors then merely go on to bless a fait accompli. "It's a baptism," he says. "You don't go to church without the baby, and in this case the baby is the price."

If Klein sounds cynical, it's not without cause. Consider some recent cases in which even directors and management didn't have a solid hold on the values placed in their fiduciary hands. Kaiser Steel, for example, backed away from an offer of $54 a share from the San Francisco financier Stanley Hiller Jr., only to accept (under pressure from a competing bid by the ubiquitous Irwin Jacobs) a going-private bid of $22 a share in cash—layered with preferred stock—from Tulsa, Okla. investor J.A. Frates. And proof that a management-sanctioned leveraged buyout may not be the last word in value shows in the way HMW Industries, the old Hamilton Watch Co., proselytized for a $40 (and then $44) a share deal offered by Kohlberg, Kravis, Roberts, only to be overrun by a bid of $45 a share from Clabir Corp.

Probably the best things outside stockholders have going for them in getting fair value are competitive bidding and the dynamics of the marketplace. Many companies are going private precisely because they are undervalued and worried about the prospect of a hostile takeover. Dan River, for example, bought out its holders at $22.50 a share only because an opportunistic Carl Icahn was knocking on the door of the textilemaker with a threatening $18 a share.

The impetus behind most going-private deals, however, is not so much self-defense as enlightened self-interest. Management insiders who get a piece of the private action do take on some risk in the shape of all that borrowed money. If their cash flow projections fall apart, they may well wind up in the soup. Against that risk, though, must be weighed the prospective reward of cheap stock that down the road will multiply in value many times, either by merger or—ironically—by the company's going public all over again. It's the kind of game in which outsiders often can do well only if the company they keep includes hard-nosed fiduciaries like Mutual Shares. ■

Going private 1983

There were almost as many leveraged buyouts in the first nine months of this year as in all of last year—a record. While most of the 20 deals listed below were announced in a generally rising market, 4 out of 5 show a remarkably consistent pattern: prices that began moving up to the buyout price well in advance of the buyout announcement. Anticipatory insider buying? Not necessarily. Buyouts have become a big play on The Street and it doesn't take much more than a rumor to set off the speculators. Whatever the reasons for the early action, it's clear that really big premiums over the immediate buyout market are rare. Some 15 of the 20 went private at a premium over book value; but book often tends to be understated. Investors who buy late in the game are not getting much for their money.

Company/*business*	Book value	Proposed buyout price	Price just before announcement	Price 6 mos earlier	Buyout price approved by shareholders
Dan River/*textiles*	$31.33	$22.50	20⅛	12½	$ 22.50
Niagara Frontier/*supermkt svcs*	31.15	37.77	37½	24¼	37.77
Vaughan-Jacklin/*garden prods*	16.14	13.00	11⅜	12⅜	NA
Coca-Cola Bottling Co of Miami/*soft drink bottler*	16.59	102.00	91	41½	102.00
Tannetics/*cooling devices*	8.02	14.00	13	10⅜	NA
Cedar Point/*amusement parks*	17.58	40.00	39¼	23¼	40.00
Albany Intl/*papermaking fabrics*	27.73	40.00	34½	28¾	40.00
Bro-Dart Inds/*school products*	10.14	9.10	8⅝	7	9.10
Keller Inds/*windows, furniture*	20.78	24.25	23⅛	13⅜	24.25
North Am Royalties/*oil & gas*	11.84	19.00	14¼	11	NA
Kaiser Steel/*coal, steel prods*	35.20	44.50	35⅞	20¼	*
Raymond Intl/*engineering, constr*	25.00	27.50	26½	13⅛	NA
MacAndrews & Forbes Group/*confections, film processing*	6.98	58.00	56⅛	27⅞	NA
Universal Cigar/*tobacco*	13.87	13.00	13	14	NA
Wolverine Aluminum/*bldg matls*	15.18	20.00	15½	7½	NA
Cadence Inds/*publishing*	22.03	17.50	17	16½	NA
Cellu-Craft/*packaging matls*	2.57	9.00	8⅜	7½†	NA
Hyster Co/*construction equip*	50.14	63.00	51½	43	NA
HMW Inds/*artillery fuses*	11.50	40.00	38⅜	11¾	‡
Wometco Ent/*TV stations, bottling*	12.10	46.50	42⅞	32½	NA

NA: Not yet approved. *Final deal: $52 in cash and preferred; shareholder approval pending. †Adjusted for split. ‡Final deal: $45 a share; shareholder approval pending.

Sources: W.T. Grimm & Co. and FORBES.

It's easier to become an Up & Comer than to remain one. Here's how some companies manage to stay on top.

The Class of 1983

Breaking the barriers

By Paul B. Brown and Steve Kichen

ANYBODY CAN MAKE his first product a success," says Sirjang (Jugi) Tandon, president of California-based Tandon Corp. "That's what he knows. That's what got him into business. The real test is to go on from there."

Tandon itself has gone on from there. So much so that it has become FORBES' Up & Comer of the year *(see story, p. 214)*. But other small and promising companies have disappeared this year from the FORBES list of Up & Comers, a ranking of the best small publicly held companies in America. The lingering effects of the recession turned little weaknesses into big ones. Most of the companies that disappeared from the list did so because of their inability to maintain an average increase in earnings per share of 15% or more over five years. That is one of the stringent standards that must be met to qualify a company for the list.

What's an Up & Comer? It's a smallish company that FORBES thinks has an excellent chance of turning into a great company.

How do we pick them? By applying tough standards. These include:

An average return on equity of at least 15% over the past five years. This must be achieved with debt not exceeding equity—to eliminate highly leveraged, speculative businesses.

Sales not exceeding $250 million a year—beyond that we figure a company can no longer be considered a "comer"; it has already arrived.

Last year's list excluded companies with sales above $100 million. Increasing the limit has qualified only a few additional companies for this year's list of 277 companies, because of the demanding earnings criteria. Increasing the sales limit reflects the judgment that in today's corporate environment a company with sales under $250 million is still relatively small and still enjoys a large potential for growth, perhaps ultimately to join the FORBES list of the 500 largest American companies.

Dreyer's Chairman T. Gary Rogers **Sweet increases.**

Making the list is one thing. (The 143 newcomers to the listing are indicated with a bullet.) Staying there is another.

Tandon was exactly right when he stated that the problem was not in achieving success but in maintaining it. Jugi Tandon has done it through

Timeplex Chairman Edward Botwinick
Wanted bad: good managers.

innovation. He has stayed on the crest of the personal computer wave by adding better and cheaper disk drives to his successful product line.

T. Gary Rogers, chairman of Dreyer's Grand Ice Cream, has used a different approach—pricing. Rogers has counted on steady increases in the prices for his confections to finance expansion from his Oakland, Calif. base into 19 western and midwestern states. ("It is frightening to take this to its logical conclusion but, up until this point, a price hike has never hurt us and often sales have picked up as a result," says Rogers.) His ice cream sells at retail about 25% higher than the typical name brand sold in the supermarket.

Edward Botwinick, chairman of Timeplex, has given the matter of growth much thought. Along with more than 34% of this year's Up & Comers, Timeplex, in Woodcliff Lake, N.J., is engaged in advanced technology as a manufacturer of electronic data communications equipment for AT&T and others. Its sales have tripled in the past five years, to $37.8 million. Its earnings have increased by 25% a year during that time. Timeplex' greatest problem in keeping this growth going was to recruit enough good new people. "I knew we had to do something when I realized I was spending 80% of my time backstopping people who could not do their jobs adequately," Botwinick says. "Because of that, I couldn't do my job."

Having identified the problem, what did Botwinick do about it? He gave recruiting his main attention. Says he: "We have just put in another level of management and are adding new people.

"Making that decision was a bitch. We were a close family. Three or four years ago I knew everybody on a first-name basis. I played tennis and softball with them, we went drinking together. But a lot of the people I used to see socially are now three or four levels down from me. I don't see them month to month, let alone every week. The facts simply are that some of the people who helped us grow from $20 million toward $50 million are not adequate for future growth. They are marginally adequate now."

Botwinick hired several headhunters who will try to lure communications executives from companies that already have broken through the

Electro Rent Chairman Daniel Greenberg
Let McDonald's sell hamburgers.

growth barriers to attain sales of $200 to $400 million a year. As he said, that means a break with the past. It means hurting people who helped him build the company but are not adequate to the tasks at hand now.

Talks with chief executives of several dozen other Up & Comers on our list show certain commonsense themes that underlie their efforts to keep that growth from petering out. Among them:

● *Stick to what you know.* If you had gained your expertise at Digital, IBM or Honeywell, and your first product is a computer memory, your second product probably should not be a hamburger. Let McDonald's sell the hamburgers.

Electro Rent Corp., a Santa Monica, Calif. company that rents sophisticated electronic equipment to aerospace, electronics and defense companies, understands that well. Its sales have grown by more than 28% a year in the past five years. But the company faced a tremendous inventory problem. Its customers were reluctant to continue renting, say, a first-generation oscilloscope when the second generation became available. The older instrument, still not even fully depreciated, threatened to become an expensive relic. Solution?

M.D.C. President Michael A. Feiner
Faster than the big boys.

"We went into the used equipment business, and created a market out of whole cloth," says Chairman Daniel Greenberg. "The equipment we rent is not like cars, which wear out in three to four years. What we do at the end of the three to four years—the average rental life—is recalibrate and refurbish the equipment. We need service centers as part of our rental business anyway. We often offer warranties [on used equipment] that equal those of the manufacturers."

Electro Rent sells the used older equipment at as much as 50% discount from the current list price. His cost-conscious customers are those who don't require state-of-the-art gear. The result is that Greenberg has turned a potential liability into an asset. Used equipment sales have become the fastest-growing segment of Electro Rent's business. They now account for 25% of the com-

Spectrum Chairman Thomas L. Venable
Soup, crucible . . . bank.

pany's sales.

● *Don't reinvent the wheel.* The world probably doesn't need another personal computer, for example. However, the proliferation of computers, word processors, video games and other such products has created a great deal of electronic background noise—and $16 million a year in sales for Spectrum Control, Inc., Erie, Penna. "All we are doing," says Spectrum's Chairman Thomas L. Venable, "is matching up with what our industrial society needs." The need is growing. Last month the Federal Communications Commission ruled that machines using microprocessors must meet an emission standard for radio frequency energy. In addition to building filters to control those emissions, Spectrum also performs emission tests for companies that use microprocessors.

● *Remain flexible.* The only constant is change, an axiom often uttered by the chief executives of Up & Comers. One of the few advantages in corporate smallness, but a real one, is the ability to respond faster than large competitors. That, says Michael A. Feiner, president of M.D.C. Corp., a real estate developer and builder in the Denver metropolitan area, is partly why his company continued to make money during years when the real estate industry was squeezed by high mortgage interest rates.

"We respond to changes very quickly," Feiner says. "So even though housing starts in the Denver area fell last year to around 13,000, compared with a high of 42,000 in 1972, we did well because we noticed there were two areas that were relatively unaffected—the starter-home market and semi-custom-built homes in the $150,000-to-$250,000 range bought by executives transferred into the area. So that is what we concentrated on. We stayed out of the middle of the market, where historically the greatest number of sales take place."

M.D.C. also took advantage of retrenchment by others. "When things are going well, you can't expand into another guy's market," Feiner says. "He'll cut your pants off. But we figure that we could take advantage of the fact that 25% of our competition withdrew in 1981 and 1982. We sold $10 million of debentures and we then had enough capital to tie up land for 10,000 units. As things have gotten better, we are selling some of that land to other builders at a significant profit."

Such rules may sound simple, but following them successfully isn't. It's the execution that counts. That's why out of approximately 3,000 publicly held companies with sales under $250 million, only 9% managed to become Up & Comers this year. ■

Good-bye to some good buys

If you study the FORBES list of Up & Comers looking for stocks to buy, you probably aren't alone. Of the 293 companies on last year's list, 12 have since been acquired by other firms. And 4 Up & Comers on this year's list are already in various stages of acquisition. They are:

● *Depositors Corp.*, Augusta, Me. Maine's largest bank holding company has agreed to be acquired by Key Banks Inc. of Albany, N.Y. for about $31 a share. When the deal was announced, Depositors stock was trading in the low 20s. Depositors Chairman Wallace M. Haselton says the growth in interstate banking made the merger attractive. "I think we would have been able to survive and compete without the merger, but I don't think our shareholders or depositors would have fared as well," he says. Final regulatory approval is expected by January.

● *Instacom, Inc.*, Dallas, Tex. The company, which provides financial services for the trucking industry and check-verification services for retailers, has agreed to sell out to Comdata Network, Nashville, which is in similar businesses. The deal, which has been approved by both boards and is awaiting shareholder approval, calls for shareholders of Instacom to receive 0.7 of a share of Comdata stock for each share of Instacom they own. Says Instacom Chairman William C. Kennedy Jr.: "We had talked about merging from time to time. But only recently it occurred to us that we were expanding into complementary lines, and it didn't make much sense for us to try to do that and fight one another as well."

When the merger was announced early this summer, Instacom stock was trading at about $15 a share. At recent prices that would be exchanged for approximately $21 worth of Comdata stock.

● *Godfather's Pizza, Inc.*, Omaha, Neb. The company, which operates a chain of franchised pizza restaurants in 42 states, has agreed to be acquired by Chart House Inc. Chart House, of Lafayette, La., operates steakhouses and Mexican restaurants and more Burger King franchises than anyone else. The agreement, subject to approval by both boards, calls for Godfather's shareholders to receive 0.57 of a share of Chart House stock for each share of Godfather's stock. At recent prices it is almost an even swap. Godfather's Chairman William M. Theisen will become the single largest Chart House shareholder, with 23% of the stock. "The combined companies will help Godfather's expand its menus and give us the strength to resist any downturns," says Theisen.

● *Cellu-Craft Inc.*, New Hyde Park, N.Y. The company's board of directors has given preliminary approval for the manufacturer of flexible packaging for the food and soft drink industries to be acquired by a private group of investors for $9 a share. The investor group includes Chairman Selig S. Burrows and President William L. Westerman, among others.

An acquisition that was called off involved *Aeroflex Laboratories Inc.*, a Plainview, N.Y. electronics manufacturer, and *Superior Manufacturing & Instrument Corp.*, a Long Island City, N.Y. electronics and automotive replacement parts company. Aeroflex offered $15 million in stock for Superior, but, says Aeroflex Chairman Julius D. Winer, "We just couldn't get all the details to work."

The following companies on the 1982 list of Up & Comers have disappeared from the 1983 list because of acquisition or merger: BalCo Energy, which merged into Forge Energy; Bank of Commerce, acquired by Norstar; Breeze Corp., acquired by TransTechnology Corp.; Brennand-Paige Industries, now part of Thackery Corp.; Cado Systems, acquired by Continental Telecom; Chem-Nuclear Systems, merged into WMI Holdings; Federated Investors, taken over by Aetna Life & Casualty; Glassrock Medical Services, bought by BOC Group; Narda Microwave, taken over by Loral; New Orleans Bancshares, taken over by First Commerce Corp.; Radiofone, acquired by Metromedia; and Wham-O Manufacturing, acquired by Kransco.—P.E.B.

Up & Comers/The Class of '83

Here are the 277 best small publicly held companies traded in the U.S., ranked by average return on equity. Another table, beginning on page 198, lists the Up & Comers alphabetically and shows their relative positions by sales, net profits, market value and five-year average return on equity.

	Company/*business*	Return on equity 5-year average	Return on equity latest 12 months	5-year EPS growth rate	Sales* (mils)	Profits* (mils)	Book value per share	Long-term debt/ equity	Price recent	Price % change 1983	Latest 12 months EPS	Latest 12 months P/E
	GTS Corp *oilfield services*	547.4%	7.8%	15%	$ 8.4	$ 0.5	$ 2.03	33%	10⅞	257%	$0.16	68.0
•	**Oak Hill Sportswear** *apparel*	141.5	21.2	113	76.4	2.9	3.85	18	7	93	0.82	8.5
•	**Coeur d'Alene Mines** *silver & copper mining*	131.5	16.5	59	8.3	1.7	3.02	7	19	7	0.50	38.0
	Key Pharmaceuticals *ethical drugs*	100.3	36.8	85	82.3	12.3	1.63	2	31¼	0	0.60	52.1
•	**Williams Electronics** *coin-operated games*	90.7	28.4	86	129.2	15.9	5.97	77	11	–1	1.70	6.5
	Pioneer Group *finance*	89.2	39.1	34	15.0	4.0	6.49	0	50	35	2.54	19.7
	Continuum *computer software*	84.3	11.2	15	20.2	0.5	5.24	1	20	–1	0.59	33.9
	Sage Energy *oil, gas expl, dev, drill*	79.3	26.3	46	80.3	18.9	5.81	41	15½	100	1.53	10.1
	WD-40 Co *lubricants*	62.5	37.2	16	50.1	8.0	2.87	0	19¾	4	1.07	18.5
•	**General Physics** *training svcs for utilities*	61.4	21.3	44	31.4	3.2	3.38	0	8½	0	0.72	11.8
•	**Reeves Communications** *communications*	60.4	10.4	54	213.8	7.7	5.96	71	11½	–34	0.62	18.5
	Alpha Microsystems *computer equipment*	59.3	16.4	37	29.2	1.7	6.26	0	15	21	1.03	14.6
	Initio *mail-order sales*	59.1	22.0	45	23.1	1.5	2.09	5	6⅞	73	0.46	14.9
•	**Campbell Red Lake** *gold mining*	56.2	28.0	18	81.8	29.1	2.78	6	24¼	–13	0.78	31.1
	CACI Inc (Unit) *technical consulting*	52.3	25.9	49	114.3	3.7	1.54	1	10	–32	0.40	25.0
•	**DCNY Corp** *finance*	52.1	26.8	41	194.0	25.6	31.93	0	41	13	8.57	4.8
	McRae Inds *footwear*	49.4	9.7	21	12.4	1.5	2.26	9	5½	–3	0.22	25.0
	Georgia Bonded Fibers *fibers*	49.1	29.1	23	27.6	1.3	2.79	34	6½	–7	1.01	6.4
	Nature's Sunshine Prods *food processing*	48.6	29.1	43	25.4	1.1	2.88	23	10¾	65	1.01	10.6
	Silicon General *electronics*	48.6	24.6	15	29.3	4.4	1.54	13	13½	116	0.38	35.5
•	**National Education** *vocational training*	48.3	24.2	18	134.9	5.5	5.33	46	30⅞	145	1.29	23.9
	Bolar Pharmaceutical *ethical drugs*	48.3	24.1	27	18.8	3.6	4.14	0	28⅝	–9	1.00	28.6
	Dranetz Technologies *precision instruments*	47.3	23.1	15	18.5	2.1	2.47	0	17	115	0.57	29.7
	Comprehensive Care *health care services*	46.5	12.8	32	86.1	10.8	8.40	8	23¾	26	1.08	22.0
•	**Electrospace Systems** *electronics*	46.1	31.2	35	62.1	6.2	2.50	8	30¾	75	0.78	39.4
	Windmere Corp *personal care prods*	45.5	21.3	15	61.3	5.6	3.46	2	11½	67	0.74	15.5
•	**La Land Offshore Expl** *oil & gas*	45.2	15.6	19	58.3	11.8	4.35	77	10¼	34	0.68	15.1
	C-COR Electronics *electronics*	43.9	32.7	107	24.8	3.4	3.21	7	14½	–27	1.05	13.8

•New addition to 1983 Up & Comers list. *Latest fiscal year.

Sources: Standard & Poor's, William O'Neil & Co., FORBES

Up & Comers/The Class of '83

	Company/*business*	Return on equity 5-year average	Return on equity latest 12 months	5-year EPS growth rate	Sales* (mils)	Profits* (mils)	Book value per share	Long-term debt/ equity	Price recent	Price % change 1983	Latest 12 months EPS	Latest 12 months P/E
	Dreyer's Grand Ice Cream *food processing*	43.7%	39.6%	64%	$ 55.8	$ 4.4	$ 1.69	32%	24	32%	$0.67	35.8
	Mylan Laboratories *drugs*	43.6	26.3	32	31.8	3.4	2.62	13	16¾	86	0.69	24.3
	Designcraft Inds *jewelry manufacturing*	43.2	8.9	40	19.3	0.4	4.12	16	10⅝	212	0.37	28.7
•	**Oregon Metallurgical** *titanium & other alloys*	43.2	0.8	17	43.9	6.5	5.66	0	12	–14	0.05	NM
	Amfesco Indus *footwear*	42.2	30.8	136	74.5	9.4	7.74	3	20⅛	45	2.39	8.4
•	**International Controls** *electronics*	41.9	16.9	25	138.2	9.0	11.22	35	16	10	1.90	8.4
	Andersen 2000 *pollution-control equip*	41.8	17.2	39	6.6	1.0	1.97	0	9½	31	0.34	27.9
	CyCare Systems *medical computer svcs*	41.7	7.0	30	23.4	1.2	11.90	2	20½	41	0.84	24.4
•	**Thousand Trails** *campgrounds*	41.6	27.8	25	63.4	7.8	5.63	96	29	117	1.57	18.5
	Baruch-Foster *oil & gas development*	41.2	17.7	36	10.9	2.3	4.90	42	14	80	0.87	16.1
	Floating Point Systems *computer equipment*	40.9	17.0	36	86.5	11.6	7.75	4	35⅛	34	1.32	26.6
•	**Wells-Gardner Electronics** *electronics*	40.9	11.4	118	75.4	5.4	4.45	0	6⅞	–15	0.51	13.5
	Thompson Medical *proprietary drugs*	40.8	27.7	37	90.9	11.6	5.04	0	24⅞	161	1.40	17.8
	Medex *health care supplies*	40.7	30.0	49	11.0	1.3	1.33	36	11¼	46	0.40	29.4
	Impell *engineering svcs*	40.4	18.9	26	84.9	11.8	11.00	0	24½	–5	2.08	11.8
	International Game Technology *coin-operated games*	40.3	9.2	48	62.2	7.2	5.95	5	13⅛	24	0.55	23.9
	SafeCard Services *credit-card loss service*	39.6	24.3	36	43.3	5.8	3.12	0	15	15	0.76	19.7
	Sensormatic Electronics *electronic theft control*	39.5	19.0	39	86.0	22.9	4.87	44	34¼	18	0.93	36.8
•	**Forest Labs** *ethical drugs*	39.2	18.1	86	18.5	2.5	2.64	13	35	75	0.48	72.9
	Genisco Technology *electronics*	38.5	8.0	25	29.2	1.5	5.94	10	8⅞	–25	0.48	18.5
	Analogic Corp *computer equipment*	38.3	19.4	28	105.9	11.8	4.16	15	23¾	18	0.81	29.3
	Adage *computer equipment*	37.9	11.9	38	35.7	3.1	7.10	4	23¼	17	0.85	27.4
	Intelligent Systems *computer equipment*	37.2	24.1	38	34.6	4.1	2.07	0	15⅝	8	0.50	31.3
	Cullinet Software *computer software*	36.7	20.6	46	78.5	11.6	4.27	0	45	95	0.88	51.1
	Base Ten Systems *electronics*	36.2	14.3	32	17.6	2.1	3.34	59	13½	22	0.48	28.1
•	**Pic'n'Save** *retail*	36.0	28.1	35	177.7	27.0	7.07	1	44	13	1.99	22.1
•	**Auxton Computer Enterprises** *computer services*	35.7	27.2	18	12.5	0.8	0.88	1	14¾	15	0.24	61.5
	Newport Corp *industrial, lab equipment*	35.6	13.0	60	20.7	4.8	6.42	0	31½	39	0.84	37.5
	Pansophic Systems *computer software*	35.4	23.7	31	43.0	5.8	3.50	2	25½	47	0.83	30.7
	Quotron Systems *financial info services*	34.8	16.0	28	120.9	17.0	3.68	0	19⅜	14	0.59	32.8
•	**Community Psych Centers** *health care services*	34.8	21.8	30	116.9	18.2	6.14	19	38½	59	1.34	28.7

•New addition to 1983 Up & Comers list. *Latest fiscal year. NM: Not meaningful.

Sources: Standard & Poor's, William O'Neil & Co., FORBES

Up & Comers/The Class of '83

	Company/*business*	Return on equity 5-year average	Return on equity latest 12 months	5-year EPS growth rate	Sales* (mils)	Profits* (mils)	Book value per share	Long-term debt/ equity	Price recent	Price % change 1983	Latest 12 months EPS	Latest 12 months P/E
	Comdata Network *financial services*	34.8%	16.6%	41%	$ 26.4	$ 5.7	$ 2.64	0%	31⅛	96%	$0.44	71.0
	Amer Income Life Ins *insurance*	34.7	19.3	22	106.0	18.2	7.77	0	14	21	1.50	9.3
	Telecom Plus Intl *telephone equipment*	34.6	7.5	55	65.2	4.8	5.55	4	11⅛	–2	0.42	26.5
•	**Harper Group** *freight forwarding*	34.3	15.5	15	172.9	9.8	12.09	0	29¼	–1	1.88	15.6
•	**Jackson National Life** *insurance*	34.2	20.9	50	243.6	11.3	10.20	8	31¼	14	2.14	14.6
	New England Business Svc *office supplies*	33.6	26.0	15	103.1	9.5	8.80	35	53½	38	2.29	23.4
•	**Charming Shoppes** *retail*	33.3	24.3	15	174.2	12.1	4.31	9	24½	73	1.05	23.3
•	**CPT Corp** *word processing equipment*	33.0	16.7	43	145.0	15.9	6.28	45	16	–10	1.05	15.2
	Dynatech Corp *health care products*	32.8	24.2	17	99.1	7.4	5.98	38	29	19	1.45	20.0
	Instacom *financial services*	32.1	14.9	41	15.3	2.7	4.01	7	21⅛	52	0.60	35.2
•	**Pall Corp** *filters*	32.0	23.8	19	214.7	27.8	6.49	13	37	2	1.55	23.9
•	**Shared Medical Sys** *hospital computer svcs*	31.9	26.7	23	165.7	21.4	3.70	12	41½	51	0.99	41.9
	Flightsafety Intl *air & marine training*	31.8	22.7	27	76.4	21.4	6.51	27	27⅞	2	1.48	18.8
•	**TIE/communications** *telephone systems*	31.6	13.0	65	171.5	14.9	5.98	17	37½	97	0.78	48.1
	Evans & Sutherland *computer equipment*	31.2	18.2	36	53.7	9.8	6.14	2	42	0	1.12	37.5
•	**Molex** *electronics*	30.6	18.4	18	175.9	22.0	12.04	4	70½	62	2.22	31.8
	AFA Protective Sys *protective alarm svcs*	30.3	34.9	50	17.4	1.5	13.26	1	39	20	4.63	8.4
•	**Luby's Cafeterias** *restaurants*	30.1	19.6	19	129.2	11.6	7.52	8	33½	15	1.48	22.6
	Cellu-Craft *packaging*	30.0	25.5	22	46.4	2.4	2.58	10	8¼	80	0.66	12.5
•	**Frequency Electronics** *electronics*	29.9	10.8	113	17.1	3.0	9.61	13	32⅜	–10	1.04	31.1
	Scientific Software *software for energy ind*	29.9	5.6	25	17.4	1.9	10.58	22	17	41	0.60	28.3
	Pacific Scientific *aerospace*	29.8	23.8	21	83.2	9.2	8.18	71	23⅛	20	1.95	11.9
	Lynden *trucking*	29.7	20.3	65	107.4	6.2	21.54	44	27½	35	4.38	6.3
	Southwestern Energy *gas utility*	29.5	23.9	16	52.7	13.0	6.48	56	19¾	50	1.55	12.7
	Petrol Inds *oil & gas*	29.3	21.6	65	2.5	0.6	1.48	3	5¼	–23	0.32	18.0
	Avantek *electronics*	29.0	12.9	28	100.3	11.2	4.62	2	25½	20	0.60	42.5
	Mentor *medical research*	28.9	10.2	54	6.1	0.7	1.66	4	15½	113	0.17	NM
	Tony Lama *footwear*	28.9	9.2	15	86.3	4.7	16.62	15	15¼	–27	1.53	10.0
	Tellabs *telecomm equipment*	28.7	15.0	27	57.2	7.1	4.92	6	28	124	0.74	37.8
	Spectrum Control *electronic pollution control*	28.7	14.8	20	16.0	1.7	2.43	46	11⅛	23	0.36	30.9
•	**AGS Computers** *computer services*	28.6	37.9	53	65.0	2.5	2.24	13	24½	58	0.85	28.8
•	**Network Systems** *computer equipment*	28.4	9.6	74	28.4	5.6	3.61	0	22⅞	32	0.35	65.4

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Up & Comers/The Class of '83

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Spectradyne *closed-circuit TV*	28.3%	16.0%	18%	$ 22.9	$ 2.7	$ 5.91	0%	21	71%	$0.95	22.1
• **Unifi** *textiles*	28.2	14.5	51	176.0	8.3	9.26	35	21	159	1.35	15.6
• **NBI** *word processing equipment*	28.2	5.4	108	120.9	4.6	8.20	54	26¼	–29	0.45	58.3
Management Science of Am *computer software*	28.2	17.5	43	92.6	9.0	3.53	1	32¼	67	0.62	52.0
Intergraph *computer equipment*	28.1	14.8	56	155.6	13.0	5.59	5	42½	78	0.83	51.2
• **Shop & Go** *convenience stores*	28.0	20.0	16	201.9	6.4	4.95	17	10¾	26	0.99	10.9
• **Liz Claiborne** *apparel*	28.0	33.6	62	165.7	14.1	4.81	0	35½	90	1.62	21.9
• **Sage Labs** *electronics*	27.7	21.0	30	3.8	0.5	5.61	7	13¾	25	1.18	11.7
Postal Instant Press *printing*	27.6	21.6	25	15.9	3.5	3.93	3	16¾	101	0.85	19.7
Chyron Corp *computer graphics*	27.5	22.0	112	16.9	4.3	4.76	0	23	22	1.05	21.9
TSI Inc *precision instruments*	27.3	16.6	20	15.3	1.7	3.91	27	20	73	0.65	30.8
• **Apogee Enterprises** *building supplies*	27.3	18.0	21	167.5	7.7	5.16	15	13⅜	–20	0.93	14.4
• **Bolt Technology** *oilfield equipment*	27.1	16.0	65	16.1	3.6	6.42	0	21¼	30	1.03	20.6
• **Aydin Corp** *electronics*	26.9	24.7	34	124.3	10.3	11.28	10	43¼	14	2.79	15.5
• **Cray Research** *supercomputers*	26.8	11.6	38	141.1	19.0	10.26	22	50½	30	1.20	42.1
• **Ranger Oil Ltd** *oil & gas expl, dev*	26.7	29.4	97	177.6	28.2	2.48	10	10¼	74	0.73	14.0
• **Family Dollar Stores** *retail*	26.6	21.9	15	207.4	10.7	3.41	0	22⅝	92	0.75	30.2
• **TransTechnology** *aerospace*	26.2	19.5	30	71.6	5.8	9.70	41	18	16	1.90	9.5
• **CERBERONICS** *engineering & tech svcs*	26.1	45.0	48	32.2	1.3	2.60	0	14¼	0	1.17	12.2
Academy Insurance Group *insurance*	26.1	24.9	121	71.3	9.7	3.67	10	16	56	0.92	17.4
• **Bowne & Co** *financial printing*	26.0	15.1	20	106.2	12.4	8.65	1	17⅜	10	1.31	13.3
SFE Technologies *electronics*	26.0	10.8	40	49.3	3.9	5.55	27	19¾	42	0.60	32.9
Aeroflex Labs *electronics*	25.9	18.6	46	33.8	3.9	5.36	10	17⅜	13	1.00	17.4
Bluewater Oil & Gas *oil & gas expl, prod*	25.8	19.5	28	3.9	1.4	1.79	0	4¼	58	0.34	11.0
• **General Housewares** *housewares*	25.7	15.8	22	74.3	3.7	11.43	35	18	–2	1.81	9.9
Adams-Russell *electronics, CATV*	25.7	14.5	24	71.8	6.0	7.10	84	24⅜	21	1.03	23.9
• **IRT Corp** *engineering & tech svcs*	25.7	15.8	86	13.4	0.5	2.15	53	9½	153	0.34	27.9
First Amer Bk & Tr *banking*	25.7	17.7	22	54.7	5.9	5.41	28	9⅛	33	0.96	10.3
United Medical *health care services*	25.6	15.8	38	8.5	1.4	4.28	3	16½	100	0.68	24.3
Whitehall Corp *electronics*	25.5	32.0	60	63.0	8.8	8.84	2	54¼	75	2.83	19.2
• **Reflectone** *flight simulators, aerospace*	25.5	23.3	25	28.2	3.4	11.54	72	15¼	8	2.70	5.8

•New addition to 1983 Up & Comers list. *Latest fiscal year.

Sources: Standard & Poor's, William O'Neil & Co., FORBES.

Up & Comers/The Class of '83

	Company/*business*	Return on equity 5-year average	Return on equity latest 12 months	5-year EPS growth rate	Sales* (mils)	Profits* (mils)	Book value per share	Long-term debt/ equity	Price recent	Price % change 1983	Latest 12 months EPS	Latest 12 months P/E
	CutCo Inds *beauty salons*	25.4%	16.0%	21%	$ 13.6	$ 1.0	$ 4.11	0%	11¼	76%	$ 0.66	17.0
	Magnetic Controls *telecomm equipment*	25.3	11.7	17	81.6	4.5	6.79	16	13⅜	14	0.80	17.2
	SEI Corp *bank computer services*	25.3	14.4	29	39.7	3.7	5.53	12	32	64	0.80	40.0
•	**John H Harland** *financial printing*	25.3	22.5	21	160.2	17.1	9.96	0	38⅜	3	2.25	17.1
•	**Intl Clinical Labs** *health care services*	25.2	28.3	36	52.4	2.9	2.89	61	25½	21	0.82	31.1
	Communications Inds *electronics*	25.2	17.1	20	61.4	9.0	6.35	3	22¼	–29	1.09	20.9
•	**Atwood Oceanics** *offshore drilling*	25.0	26.2	201	87.9	24.3	26.11	20	21½	2	6.86	3.1
	Pandick Press *financial printing*	24.9	19.6	36	90.5	6.1	8.77	18	33¼	37	1.72	19.6
	Trion Inc *electronic air cleaners*	24.9	21.7	21	18.4	1.5	2.44	6	11½	76	0.53	21.7
	Elscint Ltd *precis & med instruments*	24.6	20.4	71	110.3	15.0	5.28	24	17⅜	–26	1.08	16.4
•	**O'Sullivan Corp** *footwear parts*	24.4	20.2	15	71.5	5.9	8.80	0	33	92	1.78	18.5
•	**Natl Technical Sys** *vocational training*	24.4	18.9	38	23.1	1.2	4.59	18	7¼	0	0.87	8.3
	Xidex *duplicate microfilm*	24.4	19.9	29	104.2	13.1	3.51	47	23¼	109	0.70	33.2
	Professional Care Svcs *health care svcs*	24.4	34.9	115	6.8	0.6	1.03	77	12¼	27	0.36	34.0
•	**Air Cargo Equipment** *aerospace*	24.4	10.5	53	3.3	0.3	2.84	35	5	38	0.30	16.7
•	**Matrix Corp** *health care equip*	24.3	12.6	97	40.4	3.9	5.39	17	29⅛	48	0.68	43.2
•	**Flower Time** *retail garden centers*	24.2	7.6	83	25.8	0.9	3.78	27	9⅝	–1	0.29	33.2
•	**Teleflex Inc** *mech remote controls*	24.1	20.8	25	111.6	8.0	8.58	29	30½	2	1.79	17.0
	Astrosystems *computer equipment*	23.8	13.9	22	9.2	2.6	3.95	0	8⅛	–22	0.55	15.2
	Alpha Industries *electronics*	23.8	10.9	17	52.2	5.2	6.64	9	21	19	0.73	28.8
	Woods Petroleum *oil & gas expl, prod*	23.7	15.2	15	83.3	23.0	10.57	15	22⅞	4	1.61	14.2
	Lundy Electronics & Sys *computer equipment*	23.6	8.3	18	34.5	1.5	9.72	23	13¼	20	0.81	17.0
•	**Liebert Corp** *computer equipment*	23.6	14.3	42	147.0	8.9	5.22	15	18¼	–20	0.75	24.3
•	**Canadian Marconi** *electronics, telecomm*	23.5	24.6	26	155.1	18.0	3.40	6	21⅜	114	0.84	25.8
	New Yorker Magazine *publishing*	23.5	20.9	16	69.1	4.8	29.87	0	124	39	6.27	19.8
	ACMAT *construction*	23.4	37.1	54	18.9	1.0	3.55	13	13¼	65	1.32	10.0
	Computer Products *electronics*	23.4	13.8	15	38.0	3.1	4.05	10	18⅜	58	0.56	33.3
	Advanced Systems *training materials*	23.4	34.2	25	31.8	3.2	2.63	10	17⅜	40	0.90	19.7
•	**Wackenhut** *industrial svcs*	23.4	23.8	17	228.3	5.8	6.55	15	23¼	–9	1.56	14.9
	Aero Systems *aerospace*	23.3	21.9	21	26.9	1.9	1.05	23	4½	–23	0.23	19.6
•	**Informatics General** *computer services*	23.2	10.6	27	170.1	5.5	13.92	1	26¼	26	1.48	17.7

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Up & Comers/The Class of '83

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• **Cameo, Inc** *oilfield equipment*	23.0%	20.3%	37%	$184.4	$18.0	$11.09	29%	15⅞	13%	$2.26	7.0
Hunt Mfg *office supplies*	23.0	22.7	16	77.5	4.9	5.59	24	19⅝	40	1.27	15.5
• **Conwood Corp** *tobacco prods*	22.9	20.7	18	183.5	20.3	9.33	5	24⅜	27	1.94	12.8
• **Safety-Kleen** *Industrial svcs*	22.9	22.9	24	149.2	13.0	6.85	13	32½	18	1.57	20.7
Ohio-Sealy Mattress *mattresses, box springs*	22.9	19.5	21	67.3	5.2	3.98	23	17⅜	146	0.78	22.3
• **Paradyne** *telecomm equip, svcs*	22.8	9.6	49	207.3	26.9	9.03	8	18	–28	0.87	20.7
Radiation Systems *antennas*	22.8	17.3	33	22.2	3.5	4.60	10	26½	59	0.80	33.1
Photronics Corp *mechanical equip*	22.8	16.8	38	4.9	0.6	2.50	94	11¼	55	0.42	26.8
• **National Data** *computer svcs*	22.6	17.7	25	119.9	10.9	5.34	7	17	–25	0.95	17.9
McFarland Energy *oil & gas expl, prods*	22.5	14.1	16	16.1	3.7	6.16	0	14	55	0.87	16.1
• **Unitrode Corp** *semiconductors*	22.5	17.1	17	120.0	12.9	6.59	17	32¾	58	1.13	29.0
• **Nuclear Metals** *metal fabricating*	22.4	16.1	18	48.5	3.9	12.36	24	28½	0	2.00	14.3
Turner Construction *construction*	22.4	23.3	28	57.8	10.7	24.19	41	37¼	21	5.65	6.6
• **Tultex** *apparel*	22.3	23.5	21	231.7	12.6	7.26	63	15½	34	1.71	9.1
C3 *computer equip, software*	22.3	17.9	37	58.5	8.9	5.97	1	17	19	1.07	15.9
• **California Microwave** *telecomm equip*	22.3	17.4	15	101.2	5.4	3.73	8	19⅛	25	0.65	29.4
Printronix *microcomputer printers*	22.3	12.9	17	78.1	6.1	11.42	7	25½	–3	1.48	17.2
Vulcan Corp *footwear parts*	22.2	18.5	15	35.0	3.6	13.87	8	15¾	51	2.57	6.1
• **Sigma-Aldrich** *specialty chemicals*	22.0	18.0	15	136.0	17.1	11.83	13	48½	20	2.14	22.7
• **Atlas Van Lines** *trucking*	21.7	18.4	16	173.1	5.2	7.92	17	15⅛	4	1.46	10.4
• **Dixon Ticonderoga** *office supplies*	21.6	11.2	105	5.7	0.6	5.93	37	8½	112	0.67	12.7
Timeplex *computer equip & svcs*	21.5	12.3	25	37.8	3.4	4.60	42	23⅞	32	0.57	41.9
Atlantic American *insurance*	21.5	18.5	15	42.6	4.3	6.54	92	14¼	–5	1.21	11.8
• **EIP Microwave** *electronics*	21.4	28.3	17	14.9	1.3	2.15	0	13¾	42	0.61	22.5
Designatronics *electronic components*	21.4	22.8	37	14.5	1.0	2.32	12	8⅛	58	0.53	16.3
Allied Security *industrial services*	21.3	20.1	19	29.1	0.9	6.61	7	13	100	1.33	9.8
Computer Data Systems *computer services*	21.3	27.8	49	40.5	2.1	2.44	21	15¾	57	0.68	23.2
Scurry-Rainbow Oil *oil & gas, mining*	21.3	18.9	23	45.6	12.3	7.21	6	15½	49	1.37	11.3
• **Verbatim Corp** *computer equip*	21.2	23.1	40	119.8	14.3	2.77	6	27	90	0.64	42.2
• **Applied Data Research** *computer software, svcs*	21.2	8.0	21	68.3	4.5	8.75	27	33⅞	70	0.70	48.4
• **Times Fiber Communications** *coaxial cables*	21.1	9.1	21	137.6	6.6	8.11	1	13⅜	–30	0.74	18.1

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Up & Comers/The Class of '83

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	Electro-Nucleonics *health care products*	21.0%	9.4%	17%	$ 42.8	$ 2.1	$ 7.36	25%	15¼	13%	$0.62	25.4
	Anderson, Greenwood & Co *valves*	20.9	12.0	16	60.8	6.1	7.65	17	12⅜	7	0.92	13.5
•	**MDC Corp** *home construction*	20.8	17.1	56	78.9	6.2	5.24	76	15⅛	36	0.90	16.8
•	**Wallace Computer Svcs** *business forms*	20.8	17.4	18	210.3	16.0	9.45	8	28⅛	23	1.65	17.0
	Golden Enterprises *snack foods, fasteners*	20.8	22.8	21	86.2	6.6	4.42	4	20¼	149	1.01	20.0
•	**Chilton Corp** *financial svcs*	20.6	20.0	17	54.0	3.2	4.33	0	23¼	187	0.87	26.7
	IPM Technology *airline services*	20.6	1.7	15	52.3	0.2	4.70	71	5	42	0.08	62.5
•	**Electro Rent** *leasing*	20.6	21.5	28	54.3	7.2	5.13	63	20⅛	41	1.10	18.9
•	**Superior Mfg & Instr** *auto parts*	20.6	26.3	29	17.0	1.1	5.55	2	15½	138	1.46	10.6
•	**Farah Mfg** *apparel*	20.4	26.2	147	194.2	10.4	8.70	18	30¼	146	2.28	13.3
•	**Kasler Corp** *construction*	20.4	24.0	43	103.1	5.9	4.95	0	19½	–1	1.19	16.7
•	**Possis Corp** *machinery*	20.4	3.1	62	8.1	0.2	3.21	6	12½	25	0.10	NM
	REDM Inds *electronics*	20.3	14.9	17	31.8	1.9	9.43	15	15½	34	1.41	11.0
•	**Hathaway Corp** *electronics*	20.3	29.9	50	18.4	1.8	2.57	0	10¾	–8	0.77	14.0
•	**Hechinger** *retail*	20.3	15.6	25	241.2	11.7	6.41	22	27	14	1.00	27.0
•	**Matrix Science** *electrical equip*	20.3	19.7	25	40.6	4.9	6.48	0	30¾	38	1.28	24.0
•	**DBA Systems** *electronics*	20.3	32.4	89	28.3	1.8	2.16	10	18	45	0.70	25.7
	Stryker Corp *health care equip*	19.9	18.6	21	55.0	4.7	5.69	0	32	46	1.06	30.2
	Chesapeake Utilities *natural gas*	19.8	15.8	19	45.9	1.9	25.29	25	23	27	4.02	5.7
	Restaurant Associates *food service*	19.8	11.4	19	104.7	1.9	6.28	59	8	45	0.72	11.1
•	**Communications Systems** *telecommunications*	19.7	13.5	22	25.0	2.5	8.80	34	25	266	1.19	21.0
•	**American Medical Svcs** *health care svcs*	19.6	15.9	20	23.5	1.0	3.71	96	9¼	58	0.59	15.7
	Dunkin' Donuts of Am *fast food*	19.6	17.0	17	75.7	6.7	9.23	66	24⅞	45	1.57	15.8
•	**Galaxy Carpet Mills** *carpet*	19.3	23.9	21	151.8	4.7	9.82	85	21½	31	2.35	9.1
•	**North Fork Bancorp** *bank holding*	19.3	22.4	32	22.8	2.5	20.29	0	31	37	4.56	6.8
	Amer Controlled Inds *mechanical equipment*	19.1	17.2	22	19.5	3.9	23.79	30	37	0	4.10	9.0
	Hipotronics *electronics*	18.9	8.0	20	17.6	2.5	6.23	0	13⅛	–19	0.50	26.3
•	**Three D Dept Stores** *retail*	18.9	17.0	15	50.7	2.0	6.99	14	21	281	1.19	17.6
	Lumex *health care equipment*	18.9	18.5	33	36.5	2.7	5.07	40	23	35	0.94	24.5
•	**Adobe Oil & Gas** *oil & gas, coal*	18.8	12.5	22	203.2	24.6	11.72	42	20¼	33	1.47	13.8
•	**Andrew Corp** *telecomm equip*	18.7	16.9	28	142.3	14.4	9.66	15	39	8	1.64	23.8

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Up & Comers/The Class of '83

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•	**HBO & Co** *hospital computer svcs*	18.5%	24.0%	36%	$ 55.5	$ 7.5	$ 3.16	11%	41	78%	$0.76	53.9
•	**Technalysis Corp** *computer services*	18.4	26.9	25	6.7	0.7	2.63	0	16	50	0.71	22.5
•	**Metro Tel Corp** *electronics*	18.4	25.0	18	3.8	0.3	0.68	47	5	–16	0.17	29.4
•	**George Banta** *printing*	18.3	17.8	16	182.0	9.4	10.95	39	21¼	50	1.96	10.8
	Piper, Jaffray *securities brokerage*	18.3	26.4	21	86.5	3.8	11.11	1	22⅞	54	2.94	7.8
	Conifer/Essex Group *bank holding*	18.3	16.8	20	77.1	6.4	33.10	23	35½	20	5.57	6.4
•	**Kevlin Microwave** *electronics*	18.2	22.4	23	5.9	0.6	1.16	0	7⅜	–4	0.26	28.4
•	**United Missouri Bancshares** *bank holding*	18.2	15.2	17	225.2	29.2	30.14	5	28¼	22	4.59	6.2
	Kleer-Vu Inds *plastics*	18.1	17.0	51	13.3	0.6	1.99	42	5⅛	143	0.34	17.3
•	**AVEMCO Corp** *insurance*	17.8	17.0	15	35.6	4.3	10.83	20	21⅞	28	1.85	11.8
	Langley Corp *aerospace*	17.7	11.5	16	9.5	1.1	4.57	0	7¾	10	0.53	14.6
•	**Redken Labs** *cosmetics*	17.7	16.5	16	86.3	6.4	13.61	14	22	–13	2.25	9.8
	Depositors Corp *bank holding*	17.7	16.4	16	79.8	6.7	25.08	18	30	11	4.12	7.3
•	**Immuno Nuclear** *health care supplies*	17.6	4.0	70	4.2	0.2	2.20	22	6½	–35	0.09	72.2
•	**Standard Motor Prods** *auto parts*	17.5	20.3	25	178.5	15.0	16.68	24	59¼	78	3.39	17.5
•	**First Virginia Banks** *bank holding*	17.5	20.9	15	246.6	25.0	10.65	34	17½	53	2.23	7.8
•	**Hasbro Inds** *toys*	17.5	24.3	130	137.9	7.0	6.46	11	24	122	1.57	15.3
•	**Tandon** *computer equipment*	17.0	25.0	100	150.5	15.7	1.92	0	29¼	99	0.57	51.3
•	**First Bancshrs La** *bank holding*	17.0	15.6	17	125.4	11.6	15.49	23	22½	46	2.43	9.3
•	**Service Corp Intl** *funeral services*	17.0	13.1	24	208.5	20.5	16.52	36	36⅜	16	2.18	16.7
	Lil' Champ Food Stores *convenience stores*	16.9	17.9	16	63.5	1.8	9.68	39	36	92	1.74	20.7
•	**Pan American Banks** *bank holding*	16.9	19.3	21	135.1	11.9	15.22	33	23⅛	36	2.95	7.8
•	**UST Corp** *bank holding*	16.9	23.3	27	64.9	6.3	11.09	46	22½	42	2.59	8.7
•	**Valspar Corp** *paints*	16.8	19.4	28	151.7	7.1	18.18	7	42	82	3.54	11.9
•	**Ultrasystems** *construction*	16.7	12.3	99	45.5	2.1	4.14	0	17½	68	0.51	34.3
•	**Prairie Producing** *oil & gas expl, devel*	16.6	9.8	25	25.5	5.3	5.86	53	11¼	55	0.58	19.4
	Charles River Breeding Labs *lab animals*	16.5	13.8	18	40.9	5.9	16.61	5	41½	18	2.30	18.0
•	**Fifth Third Bancorp** *bank holding*	16.4	16.6	19	198.5	26.6	36.67	4	53¾	74	6.11	8.8
•	**Garan** *apparel*	16.4	16.3	15	150.0	8.2	23.13	16	32½	59	3.78	8.6
	Felmont Oil *oil & gas, chemicals*	16.4	12.3	15	76.4	14.0	10.55	4	21¼	27	1.30	16.7
•	**Multibank Financial** *bank holding*	16.2	15.5	24	144.8	10.9	35.68	25	36	42	5.56	6.5

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•	**OEA Inc** *electronics*	16.1%	20.5%	128%	$ 28.6	$ 2.8	$ 7.15	4%	25	57%	$1.47	17.0
•	**Angelica Corp** *apparel*	16.1	17.7	23	208.2	13.8	8.84	34	23¼	1	1.57	14.8
	Raymond Inds *electronics*	16.1	16.0	43	49.4	5.4	16.01	18	24⅛	26	2.57	9.5
•	**Fourth Financial** *bank holding*	16.0	15.7	18	114.5	12.5	15.77	26	23¼	26	2.49	9.3
•	**Grand Auto** *retail auto parts*	16.0	17.7	20	122.1	3.5	7.89	68	20⅜	69	1.40	14.6
•	**Michigan Sugar** *sugar*	16.0	13.1	141	77.8	2.1	29.25	1	30½	60	3.85	7.9
•	**Black Hills Power & Lt** *electric utility, coal mining*	15.9	19.2	17	82.2	12.3	14.92	62	20⅛	24	2.87	7.1
•	**Stride Rite** *footwear*	15.8	24.6	21	224.8	11.4	9.65	39	28¼	46	2.38	12.1
•	**Florida Commercial Banks** *bank holding*	15.8	14.3	15	67.1	5.2	19.52	39	28¾	19	2.80	10.3
•	**Computone Sys** *computer svcs, insurance*	15.7	9.2	29	25.0	2.0	6.94	0	6¾	–75	0.64	10.5
•	**Suave Shoe** *footwear*	15.7	10.3	43	121.8	6.7	10.59	27	8½	–8	1.10	7.7
	MSI Data *computer services*	15.7	12.9	18	58.6	3.4	10.63	1	18½	–35	1.38	13.4
•	**JM Smucker** *food processing*	15.6	18.2	21	200.3	12.3	18.29	11	38⅞	16	3.34	11.6
•	**Conair Corp** *small appliances*	15.6	29.6	116	114.4	7.2	3.14	11	22¼	231	0.93	23.9
•	**Bank South** *bank holding*	15.5	15.2	22	168.1	13.6	14.57	15	21¼	65	2.22	9.6
•	**First Railroad & Banking** *bank holding*	15.4	35.4	53	136.4	19.0	14.31	63	25½	48	5.07	5.0
•	**Computer Horizons** *computer services*	15.4	42.5	78	20.3	0.8	1.60	3	13	206	0.68	19.1
•	**Datascope Corp** *health care equipment*	15.4	12.0	17	37.8	2.1	7.04	96	24½	40	0.85	28.8
•	**LTX Corp** *precision instruments*	15.4	11.4	32	50.2	2.5	3.05	13	18	58	0.35	51.4
•	**Olga** *apparel*	15.4	19.7	24	62.2	3.0	16.92	55	27	42	3.34	8.1
	Pyramid Oil *oil & gas*	15.3	10.5	27	11.1	1.0	2.18	0	8½	240	0.23	37.0
•	**Natl State Bk, Elizabeth, NJ** *banking*	15.3	16.0	18	108.7	9.9	21.45	0	23½	54	3.45	6.8
•	**Beefsteak Charlie's** *restaurants*	15.3	10.4	24	99.0	3.6	4.90	67	5	–21	0.51	9.8
•	**Megadata Corp** *computer equipment*	15.3	18.0	34	9.2	0.7	4.26	0	12¾	37	0.77	16.6
•	**Godfather's Pizza** *fast food*	15.2	53.8	85	40.2	6.0	1.17	27	19	22	0.63	30.2
•	**Industrial Acoustics** *noise-control products*	15.2	16.4	25	52.1	2.8	6.49	14	12	0	1.07	11.2
•	**Sparton Corp** *electronics*	15.2	18.9	21	142.1	9.2	14.17	3	37⅝	118	2.69	14.0
•	**Unitel Video** *video services*	15.2	21.3	26	6.5	0.9	3.38	66	10¼	32	0.72	14.2
•	**National Environ Controls** *pollution-control equip, svcs*	15.0	14.0	33	9.8	0.8	1.00	13	5¼	45	0.14	37.5
	Eaton Vance *investment advisory svcs*	15.0	31.1	46	10.8	1.2	10.91	0	45½	65	3.40	13.4
•	**Sippican Ocean Sys** *electronics*	15.0	15.3	39	19.8	1.8	5.42	5	19¼	68	0.83	23.8

•New addition to 1983 Up & Comers list. *Latest fiscal year.

Sources: Standard & Poor's; William O'Neil & Co.; FORBES.

Up & Comers/The Class of '83

Here are the 277 best small publicly held companies in the U.S., listed alphabetically. The table ranks the companies in sales, profits, market value and five-year average return on equity.

Where they rank								
Sales*	Profits*	Market value	5-year average ROE	Company	City, State	Telephone	5-year sales growth rate	Market value (mils)
225	251	262	148	**ACMAT**	Hartford, CT	(203) 289-6493	171%	$14.4
233	234	264	76	**AFA Protective Sys**	New York, NY	(212) 279-5000	94	13.2
131	201	115	90	**AGS Computers**	Mountainside, NJ	(201) 654-4321	692	124.7
185	157	193	225	**AVEMCO Corp**	Frederick, MD	(301) 694-5700	149	56.6
125	78	42	111	**Academy Insurance Group**	Valley Forge, PA	(215) 337-1400	232	294.4
184	188	136	50	**Adage**	Billerica, MA	(617) 667-7070	492	106.7
122	122	99	119	**Adams-Russell**	Waltham, MA	(617) 894-8540	307	148.4
15	10	38	214	**Adobe Oil & Gas**	Midland, TX	(915) 683-4701	412	323.5
191	185	172	149	**Advanced Systems**	Arlington Heights, IL	(312) 981-4260	205	72.2
204	220	214	152	**Aero Systems**	Miami, FL	(305) 871-1300	325	36.6
189	166	178	114	**Aeroflex Labs**	Plainview, NY	(516) 694-6700	250	67.2
276	273	277	137	**Air Cargo Equipment**	Long Beach, CA	(213) 435-6341	110	4.8
198	254	272	180	**Allied Security**	Pittsburgh, PA	(412) 884-2636	128	9.3
157	143	102	142	**Alpha Industries**	Woburn, MA	(617) 935-5150	329	147.4
196	229	197	12	**Alpha Microsystems**	Irvine, CA	(714) 957-8500	2,762	47.2
223	163	221	210	**Amer Controlled Inds**	Cincinnati, OH	(513) 621-2280	27	32.5
79	22	76	61	**Amer Income Life Ins**	Waco, TX	(817) 772-3050	100	188.5
212	250	242	207	**American Medical Svcs**	Milwaukee, WI	(414) 271-1300	55	20.2
120	80	148	33	**Amfesco Indus**	Plainview, NY	(516) 694-7272	330	92.3
80	58	24	49	**Analogic Corp**	Wakefield, MA	(617) 246-0300	336	431.0
266	248	250	35	**Andersen 2000**	Atlanta, GA	(404) 997-2000	643	19.0
142	120	180	186	**Anderson, Greenwood & Co**	Houston, TX	(713) 668-0631	129	62.7
49	36	30	215	**Andrew Corp**	Orlando Park, IL	(312) 349-3300	205	388.8
12	40	62	248	**Angelica Corp**	St. Louis, MO	(314) 991-4150	53	215.2
35	96	137	102	**Apogee Enterprises**	Minneapolis, MN	(612) 835-1874	218	105.2
127	153	88	183	**Applied Data Research**	Princeton, NJ	(201) 874-9000	303	161.2
259	198	210	141	**Astrosystems**	Lake Success, NY	(516) 328-1600	82	41.0
173	159	200	175	**Atlantic American**	Atlanta, GA	(404) 231-1010	85	45.7
30	141	192	173	**Atlas Van Lines**	Evansville, IN	(812) 424-2222	87	57.0
92	11	158	129	**Atwood Oceanics**	Houston, TX	(713) 492-2929	131	84.7
250	256	170	55	**Auxton Computer Enterprises**	Orlando, FL	(305) 425-3300	151	73.3
86	67	21	85	**Avantek**	Santa Clara, CA	(408) 727-0700	371	475.0
62	74	68	105	**Aydin Corp**	Horsham, PA	(215) 657-7510	141	202.4
34	41	112	261	**Bank South**	Atlanta, GA	(404) 529-4111	187	131.9
254	206	219	38	**Baruch-Foster**	Dallas, TX	(214) 368-5886	486	32.7
231	210	208	53	**Base Ten Systems**	Trenton, NJ	(609) 586-7010	346	42.1
88	174	230	270	**Beefsteak Charlie's**	New York, NY	(212) 683-9570	286	26.9
104	52	157	253	**Black Hills Power & Light**	Rapid City, SD	(605) 348-1700	233	86.5
272	225	249	115	**Bluewater Oil & Gas**	Calgary, Alberta, Can	(403) 265-3949	333	19.0
226	175	117	22	**Bolar Pharmaceutical**	Copaigue, NY	(516) 842-8383	357	123.3

*Latest fiscal year.

Up & Comers/The Class of '83

Where they rank								
Sales*	Profits*	Market value	5-year average ROE	Company	City, State	Telephone	5-year sales growth rate	Market value (mils)
238	173	145	104	**Bolt Technology**	Norwalk, CT	(203) 853-0700	420%	$ 94.5
78	49	85	112	**Bowne & Co**	New York, NY	(212) 924-5500	80	169.0
211	180	195	28	**C-COR Electronics**	State College, PA	(814) 238-2461	754	51.0
144	87	89	168	**C3**	Reston, VA	(703) 471-6000	701	160.1
73	169	147	15	**CACI Inc (Unit)**	Arlington, VA	(703) 841-7800	834	93.0
190	237	245	110	**CERBERONICS**	Bailey's Crossroads, VA	(703) 379-4500	198	19.3
47	31	52	67	**CPT Corp**	Eden Prairie, MN	(612) 937-8000	1,018	261.7
85	137	94	169	**California Microwave**	Sunnyvale, CA	(408) 732-4000	240	154.8
21	25	129	155	**Camco, Inc**	Houston, TX	(713) 747-4000	298	115.5
105	2	2	14	**Campbell Red Lake**	Toronto, Ontario, Can	(416) 364-3453	223	1,163.7
40	24	19	146	**Canadian Marconi**	Montreal, Quebec, Can	(514) 341-7630	248	513.9
165	205	222	78	**Cellu-Craft**	New Hyde Park, NY	(516) 775-8000	44	32.2
174	124	134	242	**Charles River Breeding Labs**	Wilmington, MA	(617) 658-6000	37	110.3
29	54	36	66	**Charming Shoppes**	Bensalem, PA	(215) 245-9100	193	347.4
166	217	268	203	**Chesapeake Utilities**	Salisbury, MD	(301) 742-1177	389	11.2
153	184	138	192	**Chilton Corp**	Dallas, TX	(214) 699-6111	95	104.6
237	158	146	101	**Chyron Corp**	Melville, NY	(516) 694-7137	271	93.8
262	228	111	3	**Coeur d'Alene Mines**	Wallace, ID	(208) 556-1121	7,509	135.4
205	131	18	59	**Comdata Network**	Nashville, TN	(615) 385-0400	389	518.4
140	84	65	128	**Communications Industries**	Dallas, TX	(214) 357-4001	121	209.3
209	202	155	205	**Communications Systems**	Hector, MN	(612) 848-6231	216	87.5
70	23	7	58	**Community Psych Centers**	San Francisco, CA	(415) 397-6151	327	763.4
98	70	48	24	**Comprehensive Care**	Newport Beach, CA	(714) 640-8950	391	270.0
176	212	202	179	**Computer Data Sys**	Bethesda, MD	(301) 657-1730	346	44.8
220	257	225	262	**Computer Horizons**	New York, NY	(212) 371-9600	196	30.8
180	187	87	151	**Computer Products**	Fort Lauderdale, FL	(305) 974-5500	326	167.2
210	215	253	258	**Computone Sys**	Atlanta, GA	(404) 393-3010	305	17.8
72	100	63	259	**Conair Corp**	Edison, NJ	(201) 287-4800	116	214.2
114	111	167	221	**Conifer/Essex Group**	Worcester, MA	(617) 752-5661	133	77.3
221	270	220	7	**Continuum**	Austin, TX	(512) 345-5700	338	32.6
22	18	46	157	**Conwood Corp**	Memphis, TN	(901) 761-2050	82	277.0
51	19	8	106	**Cray Research**	Mendota Heights, MN	(612) 452-6650	1,139	735.2
110	63	14	52	**Cullinet Software**	Westwood, MA	(617) 329-7700	831	663.3
247	249	256	123	**CutCo Inds**	Jericho, NY	(516) 334-8400	86	16.8
213	243	203	36	**CyCare Systems**	Dubuque, IA	(319) 556-3131	277	44.8
201	221	196	197	**DBA Systems**	Melbourne, FL	(305) 727-0660	400	49.1
20	8	163	16	**DCNY Corp**	New York, NY	(212) 248-8900	697	82.0
182	211	191	265	**Datascope Corp**	Paramus, NJ	(201) 265-8800	156	58.3
108	105	194	227	**Depositors Corp**	Augusta, ME	(207) 623-4721	133	53.1
246	252	246	178	**Designatronics**	New Hyde Park, NY	(516) 328-3300	155	19.3
224	272	266	31	**Designcraft Inds**	New York, NY	(212) 719-3960	57	12.1
270	267	273	174	**Dixon Ticonderoga**	Vero Beach, FL	(305) 231-3190	39	9.3
227	207	165	23	**Drametz Technologies**	Edison, NJ	(201) 287-3680	187	79.3
148	156	73	29	**Dreyer's Grand Ice Cream**	Oakland, CA	(415) 652-8187	959	192.2
118	106	125	206	**Dunkin' Donuts of Am**	Randolph, MA	(617) 961-4000	46	116.8
87	98	95	68	**Dynatech Corp**	Burlington, MA	(617) 272-3304	375	154.2
245	240	224	177	**EIP Microwave**	Newport Beach, CA	(714) 540-6655	231	31.0
255	241	211	275	**Eaton Vance**	Boston, MA	(617) 482-8260	159	40.9

*Latest fiscal year

Up & Comers/The Class of '83

Where they rank								
Sales*	Profits*	Market value	5-year average ROE	Company	City, State	Telephone	5-year sales growth rate	Market value (mils)
152	99	90	191	**Electro Rent**	Santa Monica, CA	(213) 452-3200	418%	$157.8
172	208	188	185	**Electro-Nucleonics**	Fairfield, NJ	(201) 227-6700	103	60.1
139	116	54	25	**Electrospace Systems**	Richardson, TX	(214) 231-9303	327	256.4
75	34	44	132	**Elscint Ltd**	Haifa, Israel	(04) 522-872	445	285.5
154	76	35	74	**Evans & Sutherland**	Salt Lake City, UT	(801) 582-5847	534	369.1
13	72	25	108	**Family Dollar Stores**	Matthews, NC	(704) 847-6961	128	428.6
19	73	70	194	**Farah Mfg**	El Paso, TX	(915) 593-4444	99	194.0
117	39	57	245	**Felmont Oil**	New York, NY	(212) 867-2211	175	226.6
18	-	55	243	**Fifth Third Bancorp**	Cincinnati, OH	(513) 579-5300	195	251.0
151	126	179	116	**First Amer Bk & Tr**	Lake Worth, FL	(305) 354-2200	392	67.0
61	62	131	234	**First Bancshrs La**	Baton Rouge, LA	(504) 389-3692	168	111.8
55	20	107	263	**First Railroad & Banking**	Augusta, GA	(404) 823-2753	315	138.9
1	9	61	231	**First Virginia Banks**	Falls Church, VA	(703) 241-3657	145	219.2
115	16	27	72	**Flightsafety Intl**	Flushing, NY	(212) 565-4100	239	410.5
94	64	39	39	**Floating Point Sys**	Portland, OR	(503) 641-3151	831	315.0
129	142	185	255	**Florida Commercial Banks**	Miami, FL	(305) 266-2600	129	60.9
206	253	236	139	**Flower Time**	Lindenhurst, NY	(516) 957-3300	164	23.5
228	204	83	47	**Forest Labs**	New York, NY	(212) 421-7850	236	171.8
71	48	120	251	**Fourth Financial**	Wichita, KS	(316) 261-4444	190	122.2
235	189	144	79	**Frequency Electronics**	Mitchel Field, NY	(516) 794-4500	258	98.4
261	269	244	1	**GTS Corp**	Houston, TX	(713) 681-7551	127	20.1
41	151	176	208	**Galaxy Carpet Mills**	Elk Grove Village, IL	(312) 593-0555	101	69.8
44	91	153	244	**Garan**	New York, NY	(212) 563-2000	22	88.7
121	170	206	117	**General Housewares**	Stamford, CT	(203) 325-4141	22	43.3
194	186	223	10	**General Physics**	Columbia, MD	(301) 964-6000	554	31.7
197	232	237	48	**Genisco Technology**	Compton, CA	(213) 537-4750	175	23.3
23	81	130	220	**George Banta**	Menasha, WI	(414) 722-7771	78	114.3
203	238	274	18	**Georgia Bonded Fibers**	Newark, NJ	(201) 642-3547	82	8.4
178	121	45	271	**Godfather's Pizza**	Omaha, NB	(402) 391-1452	3,731	281.2
97	109	100	187	**Golden Enterprises**	Birmingham, AL	(205) 326-6101	108	148.2
63	176	186	250	**Grand Auto**	Oakland, CA	(415) 568-6500	62	60.7
149	97	22	216	**HBO & Co**	Atlanta, GA	(404) 393-6000	715	445.6
31	77	123	63	**Harper Group**	San Francisco, CA	(415) 983-9600	168	119.0
53	104	98	230	**Hasbro Inds**	Pawtucket, RI	(401) 726-4100	87	148.5
229	222	234	198	**Hathaway Corp**	Denver, CO	(303) 756-8301	80	24.1
3	59	29	200	**Hechinger**	Landover, MD	(301) 341-0385	160	390.1
232	203	231	213	**Hipotronics**	Brewster, NY	(914) 279-8091	142	26.3
113	144	149	154	**Hunt Mfg**	Philadelphia, PA	(215) 732-7700	114	91.6
156	277	271	193	**IPM Technology**	Los Angeles, CA	(213) 646-2664	506	9.8
248	271	247	118	**IRT Corp**	San Diego, CA	(619) 565-7171	117	19.1
273	275	257	229	**Immuno Nuclear**	Stillwater, MN	(612) 439-9710	1,011	16.2
100	56	139	43	**Impell**	San Francisco, CA	(415) 421-2288	435	104.6
158	194	217	274	**Industrial Acoustics**	Bronx, NY	(212) 931-8000	105	35.2
33	135	110	153	**Informatics General**	Woodland Hills, CA	(213) 887-9040	129	136.2
214	231	229	13	**Initio**	Carson City, NV	(702) 883-2711	288	27.1
243	195	127	69	**Instacom**	Dallas, TX	(214) 631-1505	295	116.1
187	160	97	51	**Intelligent Systems**	Norcross, GA	(404) 449-5961	744	153.0
39	45	4	96	**Intergraph**	Huntsville, AL	(205) 772-2000	1,597	1,083.7

*Latest fiscal year.

Up & Comers/The Class of '83

Where they rank: Sales*	Profits*	Market value	5-year average ROE	Company	City, State	Telephone	5-year sales growth rate	Market value (mils)
155	191	86	127	**Intl Clinical Labs**	Nashville, TN	(615) 327-1025	205%	$168.3
52	86	187	34	**Intl Controls**	Thomaston, CT	(203) 283-8205	83	60.3
138	101	140	44	**Intl Game Technology**	Reno, NV	(702) 323-5060	2,105	102.9
17	53	104	260	**JM Smucker**	Orrville, OH	(216) 682-0015	59	143.4
2	66	74	64	**Jackson National Life**	Lansing, MI	(517) 394-3400	1,260	191.2
38	27	37	124	**John H Harland**	Decatur, GA	(404) 981-9460	148	324.2
84	123	164	195	**Kasler Corp**	San Bernardino, CA	(714) 884-4811	230	81.6
269	265	258	222	**Kevlin Microwave**	Woburn, MA	(617) 935-4800	195	15.0
103	51	9	4	**Key Pharmaceuticals**	Miami, FL	(305) 652-2276	1,729	733.7
249	262	269	224	**Kleer-Vu Inds**	Brownsville, TN	(901) 772-2500	38	10.9
145	57	142	27	**La Land Offshore Expl**	New Orleans, LA	(504) 566-6500	128	99.3
160	200	108	266	**LTX Corp**	Westwood, MA	(617) 329-7550	75	138.9
257	246	270	228	**Langley Corp**	San Diego, CA	(619) 264-3181	55	10.3
46	88	50	144	**Liebert Corp**	Columbus, OH	(614) 888-0246	574	265.7
133	223	209	238	**Lil' Champ Food Stores**	Jacksonville, FL	(904) 724-1661	136	41.7
36	38	34	97	**Liz Claiborne**	New York, NY	(212) 354-4900	2,139	372.3
60	61	41	77	**Luby's Cafeterias**	San Antonio, TX	(512) 654-9000	139	305.1
183	197	152	211	**Lumex**	Bay Shore, NY	(516) 273-2200	200	89.2
188	233	226	145	**Lundy Electr & Sys**	Glen Head, NY	(516) 671-9000	61	30.2
77	115	218	82	**Lynden**	Seattle, WA	(206) 872-8832	328	34.6
109	117	82	189	**MDC Corp**	Denver, CO	(303) 773-1100	59	179.0
143	181	201	256	**MSI Data**	Costa Mesa, CA	(714) 549-6000	50	45.5
106	154	166	126	**Magnetic Controls**	Minneapolis, MN	(612) 835-6800	252	78.3
89	85	17	93	**Management Science of Am**	Atlanta, GA	(404) 239-2000	431	544.7
177	165	58	138	**Matrix Corp**	Northvale, NJ	(201) 767-1750	977	221.7
175	145	122	199	**Matrix Science**	Torrance, CA	(213) 328-0271	638	126.5
239	171	182	164	**McFarland Energy**	Santa Fe Springs, CA	(213) 944-0181	164	61.6
251	235	260	17	**McRae Inds**	Mount Gilead, NC	(919) 439-6147	116	14.6
253	239	205	42	**Medex**	Hilliard, OH	(614) 876-2413	604	43.4
258	259	259	267	**Megadata Corp**	Bohemia, NY	(516) 589-6800	48	14.6
268	260	169	86	**Mentor**	Minneapolis, MN	(612) 588-4685	503	75.6
274	274	275	218	**Metro Tel Corp**	Syosset, NY	(516) 364-3377	282	8.2
112	209	199	252	**Michigan Sugar**	Saginaw, MI	(517) 799-7300	47	46.0
28	14	11	75	**Molex**	Lisle, IL	(312) 969-4550	208	705.7
48	68	173	246	**Multibank Financial**	Quincy, MA	(617) 471-3800	117	71.2
192	183	156	30	**Mylan Laboratories**	Pittsburgh, PA	(412) 232-0100	93	87.2
66	152	51	95	**NBI**	Boulder, CO	(303) 444-5710	4,310	262.2
68	69	71	162	**National Data**	Atlanta, GA	(404) 329-8500	291	192.9
58	134	69	21	**National Education**	Newport Beach, CA	(714) 546-7360	448	198.8
256	258	251	277	**National Environ Ctls**	Metairie, LA	(504) 733-0586	46	18.0
76	75	174	268	**Natl State Bank**	Elizabeth, NJ	(201) 354-3400	110	70.5
215	242	239	136	**Natl Technical Sys**	Woodland Hills, CA	(213) 348-7101	172	20.8
208	244	265	19	**Nature's Sunshine Prods**	Spanish Fork, UT	(801) 798-9861	676	12.1
200	133	20	91	**Network Systems**	Brooklyn Park, MN	(612) 425-2202	2,711	496.9
83	79	59	65	**New England Business Svc**	Groton, MA	(617) 448-6111	196	220.9
126	148	143	147	**New Yorker Magazine**	New York, NY	(212) 840-3800	85	99.2
219	147	77	56	**Newport Corp**	Fountain Valley, CA	(714) 963-9811	200	185.5
217	199	228	209	**North Fork Bancorp**	Mattituck, NY	(516) 298-8366	338	28.5

*Latest fiscal year.

Up & Comers/The Class of '83

Where they rank				Company	City, State	Telephone	5-year sales growth rate	Market value (mils)
Sales*	Profits*	Market value	5-year average ROE					
164	164	168	166	Nuclear Metals	Concord, MA	(617) 369-5410	437%	$76.9
124	125	124	134	O'Sullivan Corp	Winchester, VA	(703) 667-6666	40	117.8
199	193	161	247	OEA Inc	Denver, CO	(303) 693-1248	95	83.0
116	192	227	2	Oak Hill Sportswear	New York, NY	(212) 354-0444	6,847	29.4
128	140	96	158	Ohio-Sealy Mattress	Cleveland, OH	(216) 522-1310	61	153.5
137	190	240	264	Olga	Van Nuys, CA	(213) 782-7568	64	20.7
169	110	80	32	Oregon Metallurgical	Albany, OR	(503) 926-4281	142	181.6
102	82	119	81	Pacific Scientific	Anaheim, CA	(714) 535-8141	227	122.5
8	4	13	70	Pall Corp	Glen Cove, NY	(516) 671-4000	191	666.0
57	55	135	237	Pan American Banks	Miami, FL	(305) 577-5974	163	109.3
91	119	78	131	Pandick Press	New York, NY	(212) 741-5555	189	182.9
171	127	60	57	Pansophic Systems	Oak Brook, IL	(312) 986-6000	398	219.3
14	6	28	161	Paradyne	Largo, FL	(813) 530-2000	1,249	398.8
277	263	267	84	Petrol Inds	Shreveport, LA	(318) 424-6396	66	11.5
271	266	261	160	Photronics Corp	Hauppauge, NY	(516) 231-9500	111	14.5
25	5	12	54	Pic'n'Save	Carson, CA	(213) 537-9220	229	687.7
244	161	141	6	Pioneer Group	Boston, MA	(617) 742-7825	277	102.0
93	167	159	219	Piper, Jaffray	Minneapolis, MN	(612) 371-6111	148	83.4
263	276	241	196	Possis Corp	Golden Valley, MN	(612) 545-1471	30	20.3
241	178	177	100	Postal Instant Press	Los Angeles, CA	(213) 653-8750	109	68.6
207	139	150	241	Prairie Producing	Houston, TX	(713) 658-8413	215	90.3
111	118	128	170	Printronix	Irvine, CA	(714) 863-1900	510	116.0
264	264	254	133	Professional Care Svc	Buckingham, PA	(215) 322-2601	207	17.6
252	247	207	269	Pyramid Oil	Santa Fe Springs, CA	(213) 944-6703	72	43.0
65	28	15	60	Quotron Systems	Los Angeles, CA	(213) 827-4600	262	656.8
193	218	238	201	REDM Inds	Mountain Plaza, NJ	(201) 881-0801	116	21.8
218	177	126	159	Radiation Systems	Sterling, VA	(703) 450-5680	199	116.6
26	3	10	107	Ranger Oil Ltd	Calgary, Alberta, Can	(403) 263-1500	1,914	708.5
162	138	204	249	Raymond Inds	Middletown, CT	(203) 347-7777	67	44.5
95	113	183	226	Redken Labs	Canoga Park, CA	(213) 992-2700	65	61.1
9	95	105	11	Reeves Communications	New York, NY	(212) 573-8600	1525	142.1
202	182	252	122	Reflectone	Tampa, FL	(813) 885-7481	127	17.9
81	219	248	204	Restaurant Associates	New York, NY	(212) 997-1400	44	19.1
179	168	81	125	SEI Corp	Wayne, PA	(215) 687-1700	379	180.1
163	162	133	113	SFE Technologies	San Fernando, CA	(213) 361-1176	168	111.1
170	128	121	45	SafeCard Services	Fort Lauderdale, FL	(305) 565-2131	868	120.7
45	44	43	156	Safety-Kleen	Elgin, IL	(312) 697-8460	179	293.4
107	21	72	8	Sage Energy	San Antonio, TX	(512) 271-7200	2,601	192.3
275	268	276	99	Sage Labs	Natick, MA	(617) 653-0844	99	6.0
234	216	189	80	Scientific Software	Denver, CO	(303) 292-1111	315	59.3
167	50	66	181	Scurry-Rainbow Oil	Calgary, Alberta, Can	(403) 232-7100	149	207.5
99	13	6	46	Sensormatic Electronics	Deerfield, FL	(305) 427-9700	389	936.7
11	17	32	235	Service Corp Intl	Houston, TX	(713) 522-5141	100	382.2
37	15	5	71	Shared Medical Sys	Malvern, PA	(215) 296-6300	262	1,006.3
16	112	171	98	Shop & Go	Mango, FL	(813) 689-8161	144	72.3
56	26	26	172	Sigma-Aldrich	St. Louis, MO	(314) 771-5765	148	418.5
195	155	101	20	Silicon General	Concord, CA	(415) 686-6660	144	148.0
222	224	184	276	Sippican Ocean Sys	Marion, MA	(617) 748-1160	64	61.1

*Latest fiscal year

Up & Comers/The Class of '83

Where they rank: Sales*	Profits*	Market value	5-year average ROE	Company	City, State	Telephone	5-year sales growth rate	Market value (mils)
136	43	79	83	**Southwestern Energy**	Fayetteville, AR	(501) 521-1141	127%	$182.0
50	83	113	273	**Sparton Corp**	Jackson, MI	(517) 787-8600	77	128.6
216	196	160	52	**Spectradyne**	Richardson, TX	(214) 234-2721	333	83.3
240	226	190	89	**Spectrum Control**	Fairview, PA	(814) 474-1571	201	58.9
24	33	40	232	**Standard Motor Prods**	Long Island City, NY	(212) 392-0200	83	309.2
7	65	64	254	**Stride Rite**	Cambridge, MA	(617) 491-8800	104	213.0
150	149	91	202	**Stryker Corp**	Kalamazoo, MI	(616) 381-3811	142	157.7
64	107	235	257	**Suave Shoe**	Miami Lakes, FL	(305) 822-7880	99	24.0
236	245	263	190	**Superior Mfg & Instr**	Long Island City, NY	(212) 932-1800	210	14.2
32	35	3	73	**TIE/communications**	Shelton, CT	(203) 929-7373	792	1,134.7
242	227	198	103	**TSI Inc**	St. Paul, MN	(612) 483-0900	209	47.0
43	32	1	233	**Tandon**	Chatsworth, CA	(213) 993-6644	160	1,485.2
265	261	255	217	**Technalysis Corp**	Minneapolis, MN	(612) 925-5900	65	16.8
130	146	53	62	**Telecom Plus Intl**	Long Island City, NY	(212) 392-7700	634	256.8
74	92	92	140	**Teleflex Inc**	Limerick, PA	(215) 948-5100	134	157.6
147	102	33	88	**Tellabs**	Lisle, IL	(312) 969-8800	566	378.8
90	60	56	41	**Thompson Medical**	New York, NY	(212) 688-4420	220	248.7
134	94	75	37	**Thousand Trails**	Seattle, WA	(206) 246-5406	722	190.2
159	214	215	212	**Three D Dept Stores**	East Hartford, CT	(203) 569-6720	82	35.4
181	179	93	176	**Timeplex**	Rochelle Park, NJ	(201) 368-1113	301	156.8
54	108	114	184	**Times Fiber Communications**	Wallingford, CT	(203) 265-8500	428	127.8
96	150	216	87	**Tony Lama**	El Paso, TX	(915) 778-8311	155	35.3
123	129	154	109	**TransTechnology**	Sherman Oaks, CA	(213) 990-5920	142	88.3
230	230	213	130	**Trion Inc**	Sanford, NC	(919) 775-2201	219	36.9
4	47	106	167	**Tultex**	Martinsville, VA	(703) 632-2961	85	139.0
146	71	175	165	**Turner Construction**	New York, NY	(212) 878-0300	188	70.4
132	114	181	236	**UST Corp**	Boston, MA	(617) 726-7000	371	61.8
168	213	116	240	**Ultrasystems**	Irvine, CA	(714) 863-7000	299	123.7
27	90	109	94	**Unifi**	Greensboro, NC	(919) 294-4410	207	137.5
260	236	212	120	**United Medical**	Haddonfield, NJ	(609) 795-2220	666	37.9
6	1	84	223	**United Missouri Bancshrs**	Kansas City, MO	(816) 348-1100	176	170.9
267	255	243	272	**Unitel Video**	New York, NY	(212) 265-3600	148	20.1
67	46	31	163	**Unitrode Corp**	Lexington, MA	(617) 861-6540	209	385.1
42	103	118	239	**Valspar Corp**	Minneapolis, MN	(612) 332-7371	82	123.0
69	37	16	182	**Verbatim Corp**	Sunnyvale, CA	(408) 245-4400	450	614.2
186	172	232	171	**Vulcan Corp**	Cincinnati, OH	(513) 621-2850	3	25.3
161	93	103	9	**WD-40 Co**	San Diego, CA	(619) 275-1400	134	147.1
5	130	151	150	**Wackenhut**	Coral Gables, FL	(305) 445-1481	93	89.5
10	29	47	188	**Wallace Computer Svcs**	Hillside, IL	(312) 626-2000	127	273.3
119	136	233	40	**Wells-Gardner Electronics**	Chicago, IL	(312) 252-8220	822	24.5
135	89	67	121	**Whitehall Corp**	Dallas, TX	(214) 247-8747	115	203.9
59	30	162	5	**Williams Electronics**	Chicago, IL	(312) 267-2240	302	82.7
141	132	132	26	**Windmere Corp**	Hialeah, FL	(305) 621-2611	225	111.2
101	12	49	143	**Woods Petroleum**	Oklahoma City, OK	(405) 947-7811	160	269.6
82	42	23	135	**Xidex**	Sunnyvale, CA	(408) 739-4170	206	435.9

*Latest fiscal year. *Sources: Standard & Poor's; William O'Neil & Co.; FORBES*

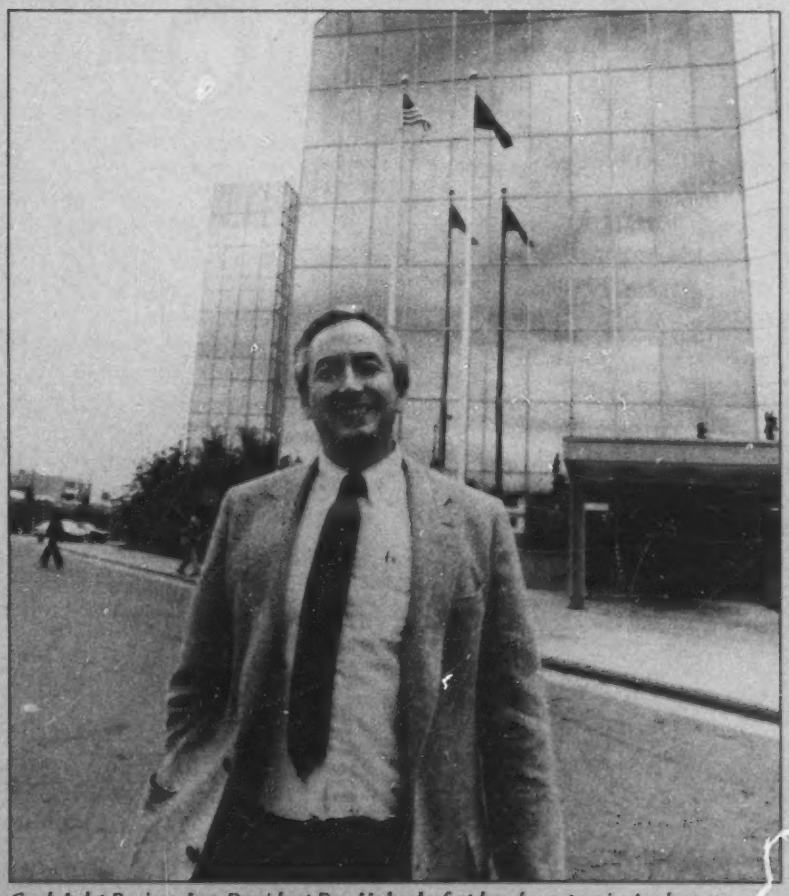
Statistician: Leslie J. Pittel.

Asia covets Alaskan fish, timber, coal and, especially, oil, and the state's little-known Native corporations are finding new trading partners.

Northwest passage

By Allan Dodds Frank

WHEN THE residential housing market slumps in Tokyo, it hurts Alaska Natives in Juneau and Sitka. When South Koreans get depressed, aphrodisiac prices there decline and Eskimos in Kotzebue lose profits. What's going on is that the Natives of Alaska, the Eskimos, Indians and Aleuts, are establishing business empires increasingly tied to the fortunes of the Pacific Rim. Japan and South Korea provide major markets for timber, fish, minerals and, yes, even reindeer horn, which old-fashioned apothecaries in Seoul finely grind into much-savored sex potions.



Cook Inlet Region, Inc. President Roy Hubndorf at headquarters in Anchorage
Alaskan coal to Japan?

Being in the export business is just one offshoot of the 1971 settlement, enacted by Congress, of the land claims of Alaska's 80,000 Eskimos, Indians and Aleuts. The Natives were granted 44 million acres, a land area equal to 2% of the entire U.S. To help them enter the capitalist mainstream, $962.5 million was thrown into the pot (FORBES, *Oct. 24*) to establish 203 village and 12 giant regional corporations. These are to administer the land and begin profitmaking ventures. Each Native received 100 shares in a regional corporation. To prevent takeovers by outsiders, Congress prohibited any stock sale until 1991.

"Until I became a Native American businessman, I always thought a strong American dollar was a good thing," says Roger Lang, a Tsimshian Indian who fishes commercially for salmon and halibut when not attending to his duties as a director of Sealaska Corp., a company with estimated timber assets in hemlock, spruce and cedar worth more than $200 million. He now knows a weak yen means weak sales. Lang adds that Canada, which he accuses of dumping logs, has hurt Sealaska timber sales to Japan, which last year were nearly 190 million board feet, mostly in round logs.

Overall the 12 Alaska Native corporations' profits have been improving *(see table, p. 222)*, but the big move forward will occur when world prices for oil, timber and fish improve. Until then the corporations will work on honing skills in scouting out new joint ventures. Several Native corporations have opened branches in Tokyo and Seoul, and more will follow. Alaska is midway between Tokyo and New York by air, and by water it's far easier to ship bulk commodities to the Pacific Rim than to the U.S. East Coast. Raw salmon is a big seller in the Orient, so several Native corporations, like Calista Corp. in southwest Alaska and Nana Regional Corp. in Kotzebue, have negotiated wholesale deals to sell fish caught by Natives to Japan.

For Nana, the South Korean market for reindeer horn is the margin that makes it possible to maintain a herd of 6,000 animals that also provides fresh meat for local Eskimos, all of whom are stockholders. The herd still loses money, which makes it a tax-loss carryforward on the hoof, but the slaughterhouse also is used in summer to process fish. Besides, Nana stockholders are constantly entertained by management's amusing efforts at rounding up the reindeer. Using tax-deductible toys—helicopters,

aircraft, three-wheeled vehicles and dog teams—they try to separate the reindeer from thundering herds of wild caribou. (They look alike and are compatible.) Nana also mines decorative quality jade that it sells to Taiwan for carving into clocks, ashtrays and little animals, even reindeer.

"In Japan they understand the Alaska market much better than anyone else," says Alex Raider, Calista Corp. president. Raider has enticed several major Japanese corporations, including Mitsui Engineering & Shipbuilding, Ltd. and Kawasho International Corp., into joint ventures to supply engineering expertise and steel for building offshore oil rigs in the Bering and Chukchi seas. It's not just the Asians who are doing business with the Native corporations. Remember, the dozen corporations control 44 million acres of the state and deal with the major U.S. oil companies, handling service and construction contracts. Natives and oilmen lobby together against environmentalists for sale of Alaska oil to Japan.

In the main, the Native corporations have staked their future on resource development, with nearly every corporation involved in joint ventures with oil companies.

Roger Lang, a Tsimshian Indian who is a Sealaska director
Learning that a strong dollar doesn't always help.

The most profitable Native corporation, Cook Inlet Region, Inc., is seeking a blend of Pacific Rim and domestic markets that other Native corporations are trying to duplicate. Cook Inlet President Roy Huhndorf says improvement of coal prices could make it economically feasible to ship to Japan from the corporation's massive Beluga coalfield near Anchorage, to be operated under lease by Placer Amex Inc. In the meantime, with proved oil and gas reserves, Cook Inlet "is going to stick to joint ventures with expert operators like Arco and Texaco," says Huhndorf.

The Native corporations always look for ventures that will employ shareholders, a notion that produces company ties akin to the Japanese cradle-to-grave employment approach. The Native leaders strive to create shareholder loyalty—William L. Hensley, president of Nana Development Corp., a Nana subsidiary, calls it "Sivuniigvik," spirit in Eskimo—to work against the temptation to sell out when 1991 comes around.

The Native corporations, however, have lost a friend with the resignation of James Watt, the Interior Secretary. Watt had pushed hard to unlock their lands for exploration and to get their land titles to them. He put federal lawyers to work on projects to make the Natives self-sufficient, even if it meant fighting The Sierra Club, which it has. As he told FORBES before his resignation, "The no-growth advocates who try to destroy the success of these corporations shouldn't be tolerated."

But then Watt believed in self-reliance for the Natives, not handouts. ■

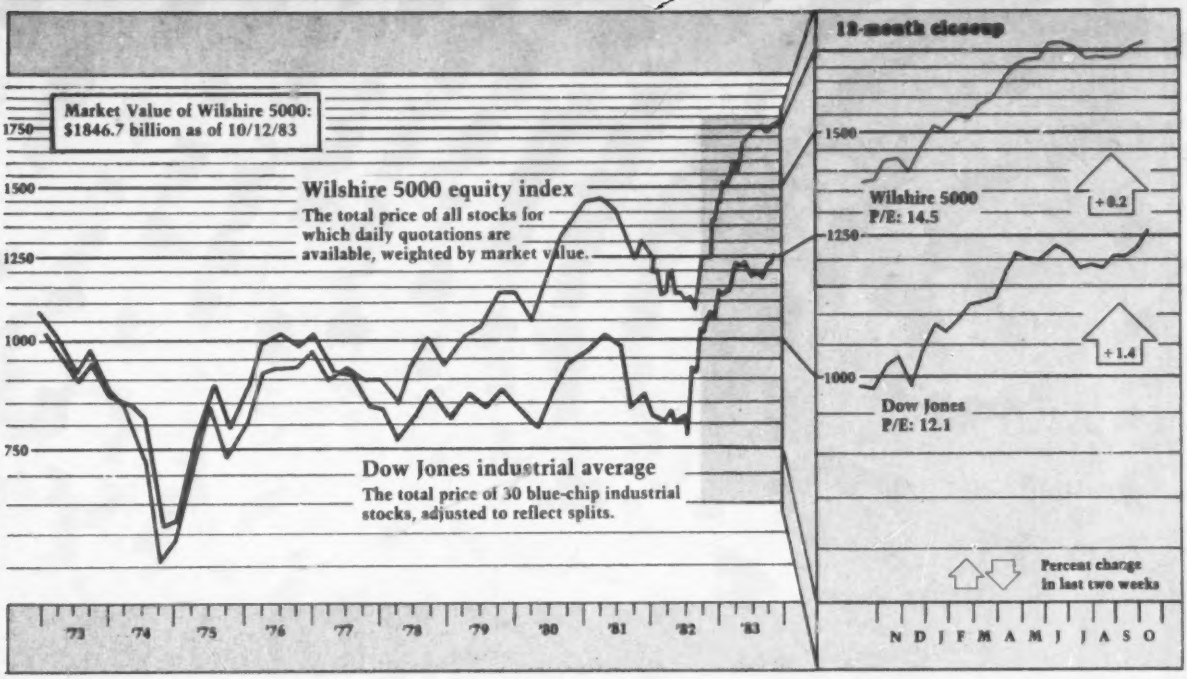
On native ground

These 12 corporations, established by Congress, control most subsurface and surface rights to 44 million acres of Alaska and were given $962.5 million to set up businesses and manage the assets to make Alaskan Natives self-supporting. They can't sell their stock until 1991. Here's a situation report.

Corporation	Reporting year	Stockholders	Acreage (millions)	Settlement money	Equity	Long term debt	Current assets	Current liabilities	Earnings per share	Equity per share
				(in thousands)						
Ahtna Inc	1983	1,074	1.8	$15,085	$17,755	$ 877	$12,304	$1,354	$ 2.69	$17.34
Aleut Corp	1982	3,249	1.5	19,504	15,839	2,110	8,346	1,208	1.53	48.75
Arctic Slope Regional Corp	1982	3,738	5.2	22,535	20,002	16,299	15,684	14,938	(18.38)	50.84
Bering Straits Native Corp	1981-82	7,425	2.2	51,225	8,360	24,391	5,640	3,404	(5.01)	13.20
Bristol Bay Native Corp	1983	5,401	3.2	32,695	37,194	14,527	7,980	3,761	5.88	62.87
Calista Corp	1982	13,306	6.5	80,133	54,716	23,865	21,571	3,600	1.18	41.12
Chugach Natives Inc	1982	1,908	1.0	11,454	6,049	906	8,828	9,710	(4.62)	31.64
Cook Inlet Region Inc	1982	6,264	2.4	43,026	75,880	9,685	65,209	26,677	24.98	121.14
Doyon Ltd	1982	9,491	12.2	53,609	57,991	3,374	11,602	19,144	0.74	64.00
Koniag Inc	(9 mos ending 3/31/82)	3,432	1.1	26,904	15,043	2,886	8,636	8,315	(3.33)	33.35
Nana Regional Corp Inc	1982	4,828	2.3	43,583	44,669	2,751	20,594	20,184	1.80	60.85
Sealaska Corp	1982	15,787	0.6	203,948	176,000	36,889	100,756	101,828	(17.72)	111.41

Source: Native corporations' annual reports

The Forbes/Wilshire 5000 Review



The suffering secondaries. Until now it has not been a happy fall for the secondary stocks. Over the last two weeks Amex issues declined 1.9% and NASDAQ issues lost 2.7%. The picture is similar for the four-week stretch as well. Meanwhile, primary issues and blue chips continue to plod ahead. The Dow hit an alltime high of 1284 during the last two weeks, but they didn't stay long at this new level. Nevertheless, the industrials show a 1.4% advance for the last ten trading days.

The Forbes 500, with a 1.3% gain, was nearly as strong as the Dow during the two-week period. However, on a four-week basis the Forbes 500 outperformed the Dow: 3% vs. 2.5%. The NYSE also managed to post two- and four-week gains. But the broader NYSE index was not as strong as the Forbes 500. The overall market, as measured by the Wilshire, managed to stay in positive territory on the strength of the higher-quality issues.

As the yardsticks indicate, investors are clearly placing their bets on major corporations. Over the last month shares of small corporations declined 3.4% while those of the largest firms advanced 1.8%. The market was also steering clear of high-volatility and high-growth issues. Meanwhile, the P/E multiples on the Dow and Wilshire continue to expand.

Close-up On The Equity Markets

Performance of six leading indexes

Percent change	Wilshire 5000	Forbes 500[1]	Dow Jones industrials	NYSE Composite	Amex Market Value Index	NASDAQ Composite
in last 4 weeks	1.6	3.0	2.5	2.4	-1.5	-2.3
in last 52 weeks	27.7	23.7	24.1	25.1	45.7	42.1

Stock performance based on five key investor yardsticks

Percent change	Company size		Volatility[2]		P/E multiple		Dividend yield		Growth profile[3]		Share price	
	large	small	high	low	over 25	under 5	over 7.5%	none	high	low	over $40	under $4
in last 4 weeks	1.8	-3.4	-3.8	1.2	-2.8	-3.3	2.4	-2.8	-5.0	2.1	2.6	-4.5
in last 52 weeks	28.5	112.7	94.0	40.3	66.0	103.3	35.7	101.0	107.4	40.0	42.9	102.2

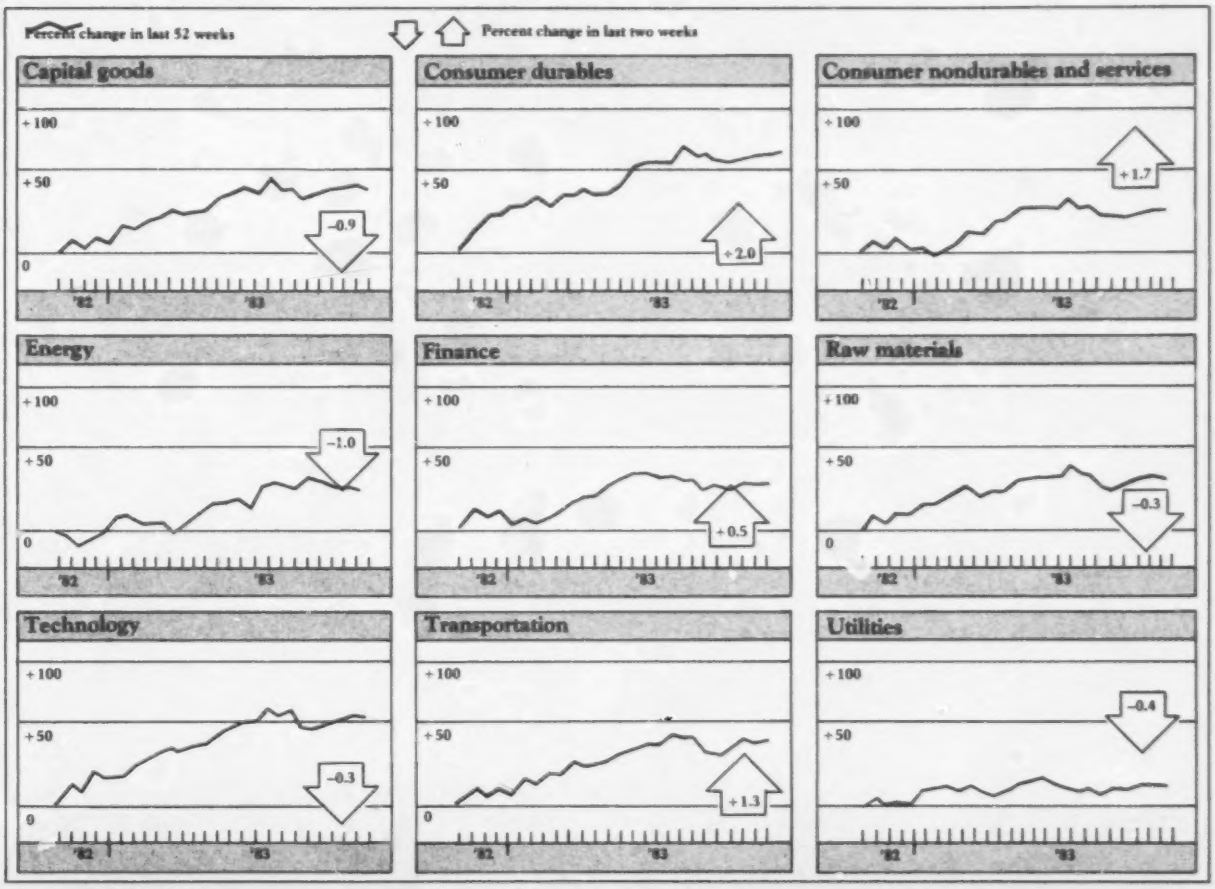
[1]Based on sales.
[2]A stock's sensitivity to overall market movement. High-volatility issues have wide price fluctuations, low-volatility issues are more stable.
[3]A quantitative evaluation of a stock's growth image, determined by Wilshire Associates.

Note: All data for periods ending 10/12/83. Prepared by Wilshire Associates, Santa Monica, Calif.

Where The Action Is

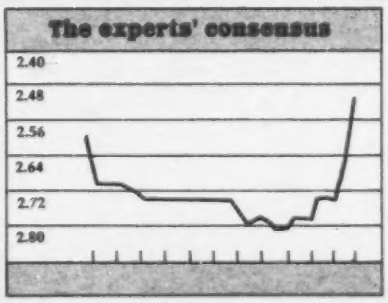
Motown revival. Although Detroit has been on the mend for some time and there is still uncertainty about the future of Japanese export quotas, sales of U.S.-built autos continue to improve. Buying of auto stocks helped propel consumer durables, with a 2% two-week advance, to the lead position among the nine sector groups. Consumer nondurables followed with a 1.7% gain. Despite the well-publicized problems of the airlines, transportation was the third best performing group, with a 1.3% advance.

Energy shares continued to slip, with a 1% decline for two weeks and a 1.5% decline for four weeks. Renewed popularity of large automobiles and performance vehicles isn't enough to overcome investor perceptions of fundamental problems for these stocks.



What The Analysts Think

Seeing new numbers. Perhaps third-quarter results explain the wide swings in analyst opinions. Consumer durables jumped from fourth to second place, while the beleaguered transportation group moved from sixth to fourth. Technology stocks, however, shot up even more—from ninth to fifth place.



Rank	Sector	Current opinion	Rank 2 weeks ago	Rank 4 weeks ago
1	Utilities	2.22	1	1
2	Consumer durables	2.36	4	9
3	Raw materials	2.40	2	2
4	Transportation	2.43	6	4
5	Technology	2.49	9	7
6	Consumer nondurables	2.50	7	8
7	Capital goods	2.56	3	3
8	Energy	2.72	8	6
9	Finance	2.77	5	5

Opinion ratings are ranked on a scale of 1 (strong buy) to 5 (strong sell). Data reflect the views of 200 institutional analysts. The consensus of opinion graph is the composite rating of 1,200 stocks, while the sector breakdowns correspond to industry groups graphed above. All figures are weighted for market capitalization.

Note: All data for periods ending 10/12/83. Prepared by Wilshire Associates, Santa Monica, Calif.

If the analysts are correct in their earnings projections, the stock market is probably cheap. If they are correct.

Comforting numbers

By Steve Kichen

BACK IN AUGUST of 1982, the 30 stocks in the Dow Jones industrial average traded for a threadbare multiple of 8.3 times earnings. Since then the Dow's P/E has risen to 12.1. In short, almost all the market's 62% rise is the result of a higher multiple rather than better earnings.

What, if anything, does that portend for the next move in the market? To make a stab at answering that question, you need a guess as to what corporate earnings will be like next year. The Institutional Brokers Estimate System (IBES), operated by Lynch, Jones & Ryan, a New York brokerage firm, monitors the earnings predictions of hundreds of Wall Street professionals. Their earnings projections for 1984 are surprisingly optimistic. They expect overall earnings gains of over 60% for the 30 Dow industrials and roughly 50% for the 20 companies that make up the Dow transportation average. The analysts predict the 15 companies that make up the slow-moving utility average should post an average gain of over 7%. If the analysts are correct, every member of the Dow industrials will make money in 1984 except for International Harvester.

That means total earnings for the Dow industrials will be $177.76—up from $14.48 in 1982 and an estimated $110.91 in 1983. A little arithmetic

The Dow industrials: estimated 1984 earnings up 60%

Company	Recent price	Net income 1981	Net income 1982	Earnings per share 1981	Earnings per share 1982	Earnings per share 1983 estimates	Earnings per share 1984 estimates	% change 1984/83 estimates	Price/earnings ratio latest 12 mos	Price/earnings ratio 1983 estimates	Price/earnings ratio 1984 estimates
		(millions)									
Allied Corp	55½	$ 348.0	$ 272.0	$ 9.03	$ 6.22	$ 5.69	$ 7.47	31.3%	9.8	9.8	7.4
Aluminum Co of Am	44¼	296.2	–9.1	3.97	–0.15	1.67	4.34	159.9	NM	26.8	10.3
American Brands	56	386.1	381.2	6.68	6.55	7.08	7.88	11.3	8.5	7.9	7.1
American Can	42⅛	76.7	–132.9	3.77	–7.31	3.57	4.48	25.5	24.3	11.8	9.4
American Express	38¾	518.0	581.0	2.79	3.02	3.60	4.17	15.8	11.3	10.8	9.3
American Tel & Tel	64⅛	6,822.9	6,992.0	8.47	8.06	8.32	9.43	13.3	8.1	7.7	6.8
Bethlehem Steel	24	210.9	–1,469.6	4.83	–33.64	–7.55	3.25	NM	NM	NM	7.4
El du Pont de Nemours	52⅞	1,081.0	894.0	5.81	3.75	4.59	5.88	28.1	14.5	11.5	9.0
Eastman Kodak	71½	1,239.0	1,162.0	7.66	7.12	5.04	6.98	38.5	12.3	14.2	10.2
Exxon	38½	5,567.5	4,185.9	6.44	4.82	5.17	5.73	10.8	7.2	7.4	6.7
General Electric	53¼	1,652.0	1,817.0	3.63	4.00	4.50	5.20	15.6	12.6	11.8	10.2
General Foods	49¼	200.2	255.4	4.47	5.73	6.23	6.80	9.1	8.7	7.9	7.2
General Motors	76½	333.4	962.7	1.07	3.09	10.92	15.21	39.3	12.2	7.0	5.0
Goodyear	31¼	243.9	247.6	3.36	3.35	3.29	4.73	43.8	11.7	9.7	6.7
Inco	15⅞	–479.5	–204.2	–0.35	–2.29	–1.04	1.40	NM	NM	NM	11.3
IBM	132⅛	3,308.0	4,409.0	5.63	7.39	8.88	10.36	16.7	16.4	14.9	12.8
Intl Harvester	11½	–393.1	–1,660.0	–12.90	–52.07	–15.44	–2.46	NM	NM	NM	NM
Intl Paper	52⅛	525.0	160.8	5.74	2.72	3.32	5.22	57.2	16.9	15.7	10.0
Merck	100	398.3	415.1	5.36	5.61	6.27	7.20	14.8	17.2	15.9	13.9
Minnesota Mng & Mfg	86¼	673.0	631.0	5.74	5.37	6.09	7.52	23.5	15.7	14.2	11.5
Owens-Illinois	32	154.1	39.7	5.15	1.36	3.43	4.45	29.7	27.4	9.3	7.2
Procter & Gamble	58⅝	668.0	777.0	4.04	4.70	5.74	6.25	8.9	11.2	10.2	9.4
Sears, Roebuck	38¼	650.1	861.2	1.88	2.37	3.44	4.22	22.7	12.4	11.3	9.2
Standard Oil of Calif	36⅝	2,380.0	1,377.0	6.96	4.03	4.61	5.34	15.8	8.0	7.9	6.9
Texaco	36½	2,310.0	1,281.0	8.75	4.92	5.33	5.93	11.3	7.5	6.8	6.2
Union Carbide	67⅛	649.0	310.0	9.56	4.47	4.79	7.91	65.1	22.5	14.1	8.5
United Technologies	67⅞	457.7	426.9	7.71	6.73	7.50	8.79	17.2	9.1	9.1	7.7
US Steel	29	1,077.2	–361.0	7.54	–3.75	–2.83	3.50	NM	NM	NM	8.3
Westinghouse Electric	47½	438.0	449.3	5.10	5.16	5.13	6.24	21.6	10.2	9.3	7.6
FW Woolworth	38	81.9	–353.0	2.64	3.15	3.57	4.34	21.6	13.7	10.6	8.8

NM: Not meaningful.

Sources: Wilshire Associates, Fisons Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan

The Dow transportations: estimated 1984 earnings up 48%

Company	Recent price	Net income 1981 (millions)	Net income 1982 (millions)	Earnings per share 1981	Earnings per share 1982	Earnings per share 1983 estimates	Earnings per share 1984 estimates	% change 1984/83 estimates	Price/earnings ratio latest 12 mos	Price/earnings ratio 1983 estimates	Price/earnings ratio 1984 estimates
AMR Corp	27⅛	$ 16.8	$–19.6	$0.16	$–1.00	$2.20	$4.03	83.2%	40.9	12.4	6.8
Burlington Northern	99⅞	272.2	283.8	7.02	4.65	9.01	11.32	25.6	16.1	11.1	8.8
Canadian Pacific	40½	393.9	152.8	5.48	2.11	3.48	4.30	23.6	26.1	11.6	9.4
Carolina Freight	34	5.0	6.0	1.09	1.30	2.21	2.71	22.6	16.3	15.4	12.5
Consol Freightways	56¼	127.0	54.8	4.16	4.08	4.61	5.56	20.6	12.7	12.2	10.1
CSX Corp	73⅝	367.7	338.4	8.92	8.10	6.38	9.14	43.3	11.1	11.5	8.1
Delta Air Lines	34¼	146.5	20.8	3.68	0.52	2.94	4.75	61.6	NM	11.8	7.3
Eastern Air Lines	6¼	–65.9	–74.9	–3.44	–3.82	–2.42	0.06	NM	NM	NM	NM
Norfolk Southern	68¼	500.3	411.4	8.08	6.57	5.74	7.31	27.4	15.8	12.0	9.4
Northwest Airlines	40¼	10.5	5.0	0.48	0.23	2.41	4.31	78.8	67.1	16.7	9.3
Overnite Transport	31⅛	17.1	18.4	1.69	1.36	2.00	2.41	20.5	17.8	15.6	12.9
Pan Am World Airways	7⅝	–18.9	–485.3	–3.65	–6.30	–0.70	0.51	NM	NM	NM	14.5
Rio Grande Inds	57	37.1	24.4	7.53	3.45	3.14	4.03	28.3	19.9	18.2	14.1
Santa Fe Inds	30⅝	242.2	180.2	2.73	2.08	2.76	3.43	24.3	14.1	11.1	8.9
Southern Pacific	38¼	174.9	130.3	3.09	2.60	3.13	3.89	24.3	13.7	12.2	9.8
Transway Intl	33⅛	25.4	14.0	3.87	2.72	2.17	3.83	76.5	17.2	15.4	8.7
Trans World Corp	31	42.2	29.9	1.12	0.35	–0.41	1.72	NM	NM	NM	18.0
UAL	29⅝	–70.5	11.0	–2.40	0.36	2.78	4.65	67.3	5.9	10.7	6.4
Union Pacific	56	410.7	326.8	4.27	3.38	3.78	5.04	33.3	17.8	14.8	11.1
USAir Group	27¼	51.1	59.1	3.13	3.35	3.09	4.05	31.1	10.1	9.0	6.9

NM: Not meaningful. *Source: Wilshire Associates, Power, Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan.*

Statistical Spotlight

indicates that, if the market multiple doesn't change, a Dow of over 2100 is in the offing. That's fuel for the boldest of optimists.

However, one reason to be more down-to-earth is that market multiples usually shrink as a bull market wears on. Why so? Because the market discounts the earnings improvement in advance, rising before the earnings do, leveling off before they do. So now assume the worst. Suppose pessimism reigns; suppose investors are only willing to support an earnings multiple for the Dow equivalent to what they were paying in the dark days of early 1982.

On top of this add some more negative adjustments. Suppose the recovery falters; suppose the analysts' earnings estimates are off by 25%. After all, they often get euphoric when stock prices are rising. That would give the Dow companies earnings of just under $133.

Is everything lost? In this bleak scenario the Dow would drop to just over 1100. Not a catastrophe when you consider the upside potential of the Dow at its current P/E is over 2000.

These, of course, are mere statistical exercises; in the end the market moves on mass psychology, which is largely determined by what happens in the real world. Nevertheless, it is comforting to know that if things work out as the analysts think they will, the market is probably underpriced rather than overpriced. ■

The Dow utilities: estimated 1984 earnings up 7%

Company	Recent price	Net income 1981 (millions)	Net income 1982 (millions)	Earnings per share 1981	Earnings per share 1982	Earnings per share 1983 estimates	Earnings per share 1984 estimates	% change 1984/83 estimates	Price/earnings ratio latest 12 mos	Price/earnings ratio 1983 estimates	Price/earnings ratio 1984 estimates
American Elec Power	18¾	$368.3	$440.8	$2.37	$2.03	$2.17	$2.35	8.3%	10.1	8.6	8.0
Cleveland Elec Illum	21⅛	195.5	209.0	2.52	3.01	3.14	3.15	0.3	7.2	6.9	6.9
Columbia Gas Sys	33⅛	199.2	184.5	5.50	5.10	4.20	4.82	14.8	8.6	8.0	7.0
Commonwealth Edison	27½	449.9	606.7	3.06	3.75	3.99	4.17	4.5	6.7	6.9	6.6
Consolidated Edison	23¾	448.0	492.6	3.22	3.55	3.78	3.88	2.6	7.0	6.3	6.1
Consolidated Natrl Gas	31	151.8	159.8	3.72	3.90	3.98	4.47	12.3	7.0	7.8	6.9
Detroit Edison	15¼	234.4	254.7	2.02	1.75	2.03	2.09	3.0	7.6	7.5	7.3
Houston Inds	22⅞	216.4	126.2	3.14	1.62	3.84	3.99	3.9	16.3	6.0	5.7
Niagara Mohawk Power	17⅝	220.6	268.5	2.35	2.64	2.67	2.77	3.7	6.4	6.6	6.4
Pacific Gas & Elec	15⅝	564.6	810.2	1.70	2.45	2.32	2.56	10.3	7.2	6.7	6.1
Panhandle Eastern	38⅜	261.6	219.9	6.52	5.36	4.00	4.31	22.8	9.2	9.6	7.8
Peoples Energy	9¾	48.2	51.3	1.66	1.54	1.25	1.41	12.8	7.7	7.8	6.9
Philadelphia Electric	17¼	277.6	336.2	2.25	2.39	2.42	2.49	2.9	7.2	7.1	6.9
Pub Serv Elec & Gas	24⅛	264.1	342.8	2.63	3.24	3.24	3.50	8.0	7.2	7.5	7.0
Southern Cal Edison	38⅛	489.9	555.8	4.93	5.13	5.94	6.00	1.0	6.6	6.5	6.4

NM: Not meaningful. *Source: Wilshire Associates, Power, Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan.*